

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1486031-000

Total Deleted Page(s) = 102

Page 11 ~ b6; b7C; b7D; b7E;
Page 12 ~ b6; b7C; b7D; b7E;
Page 13 ~ b6; b7C; b7D; b7E;
Page 14 ~ b6; b7C; b7D; b7E;
Page 19 ~ Duplicate;
Page 20 ~ Duplicate;
Page 27 ~ Duplicate;
Page 30 ~ b6; b7C; b7D;
Page 31 ~ b6; b7C; b7D;
Page 33 ~ Duplicate;
Page 34 ~ Duplicate;
Page 35 ~ Duplicate;
Page 36 ~ b7D;
Page 37 ~ b7D;
Page 38 ~ b7D;
Page 39 ~ b7D;
Page 40 ~ b7D;
Page 41 ~ b7D;
Page 42 ~ b7D;
Page 43 ~ b7D;
Page 44 ~ b7D;
Page 45 ~ b7D;
Page 46 ~ b7D;
Page 47 ~ b7D;
Page 48 ~ b7D;
Page 49 ~ b7D;
Page 50 ~ b7D;
Page 51 ~ b7D;
Page 52 ~ b7D;
Page 53 ~ b7D;
Page 54 ~ b7D;
Page 55 ~ b7D;
Page 56 ~ b7D;
Page 57 ~ b7D;
Page 58 ~ b6; b7C; b7D;
Page 59 ~ b7D;
Page 60 ~ b7D;
Page 61 ~ b7D;
Page 62 ~ b7D;
Page 63 ~ b7D;
Page 64 ~ b7D;
Page 65 ~ b7D;
Page 66 ~ b7D;
Page 67 ~ b7D;
Page 68 ~ b7D;
Page 69 ~ b7D;
Page 70 ~ b7D;
Page 71 ~ b7D;
Page 72 ~ b7D;
Page 73 ~ b7D;
Page 74 ~ b7D;
Page 75 ~ b6; b7C; b7D;
Page 76 ~ b6; b7C; b7D;
Page 77 ~ b6; b7C; b7D;
Page 78 ~ b6; b7C; b7D;
Page 79 ~ b6; b7C; b7D;
Page 80 ~ b7D;
Page 81 ~ b6; b7C; b7D;
Page 82 ~ b6; b7C; b7D;
Page 83 ~ b6; b7C; b7D;
Page 84 ~ b7D;
Page 85 ~ b7D;
Page 86 ~ b7D;
Page 87 ~ b7D;
Page 88 ~ b6; b7C; b7D;
Page 89 ~ b7D;
Page 90 ~ b7D;

[redacted] - 8

12/8/2006

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/01/2006

To: Washington Field

Attn: SSA [REDACTED]

From: Washington Field

Squad CR-13

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 318E-WF-~~NEW~~ (Pending)

Title: LEONID ROZHETSKIN;

[REDACTED]
LV FINANCE GROUP LIMITED;
ALFA GROUP;
SECURITIES FRAUD, WIRE FRAUD, SALE AND RECEIPT OF
STOLEN PROPERTY, CONSPIRACY
OO:WFO

b6
b7C
b7E

b6
b7C

Synopsis: To document results of initial investigation into above captioned subjects, and to recommend that an investigation be opened and assigned to writer.

Details: Much of the information contained herein was obtained through lawyers associated with IPOC International Growth Fund, LTD (IPOC) and RJI Capital. [REDACTED] has hired RJI to investigate this case on behalf of IPOC. Much of this information has not been independently verified by writer. [REDACTED] attorney stated that [REDACTED] would be willing to be interviewed by the FBI.

b6
b7C

Summary: IPOC purchased shares of OAO MegaFon from LV Finance Group Limited through wire transfers through US banks that total more than \$51 million. After accepting all of the payments for all of the shares from IPOC, LV Finance then sold the same shares to Alfa Group.

Primary figures:

[REDACTED]

•
•
•
•

[REDACTED]

[REDACTED]

b6
b7C

2/3/06
B. A. R.
O & A SA
C. A. 10
[Handwritten initials and marks]

b7E

To: Washington Field From: Washington Field
Re: 318E-WF-NEW, 09/01/2006

Leonid Rozhetskin

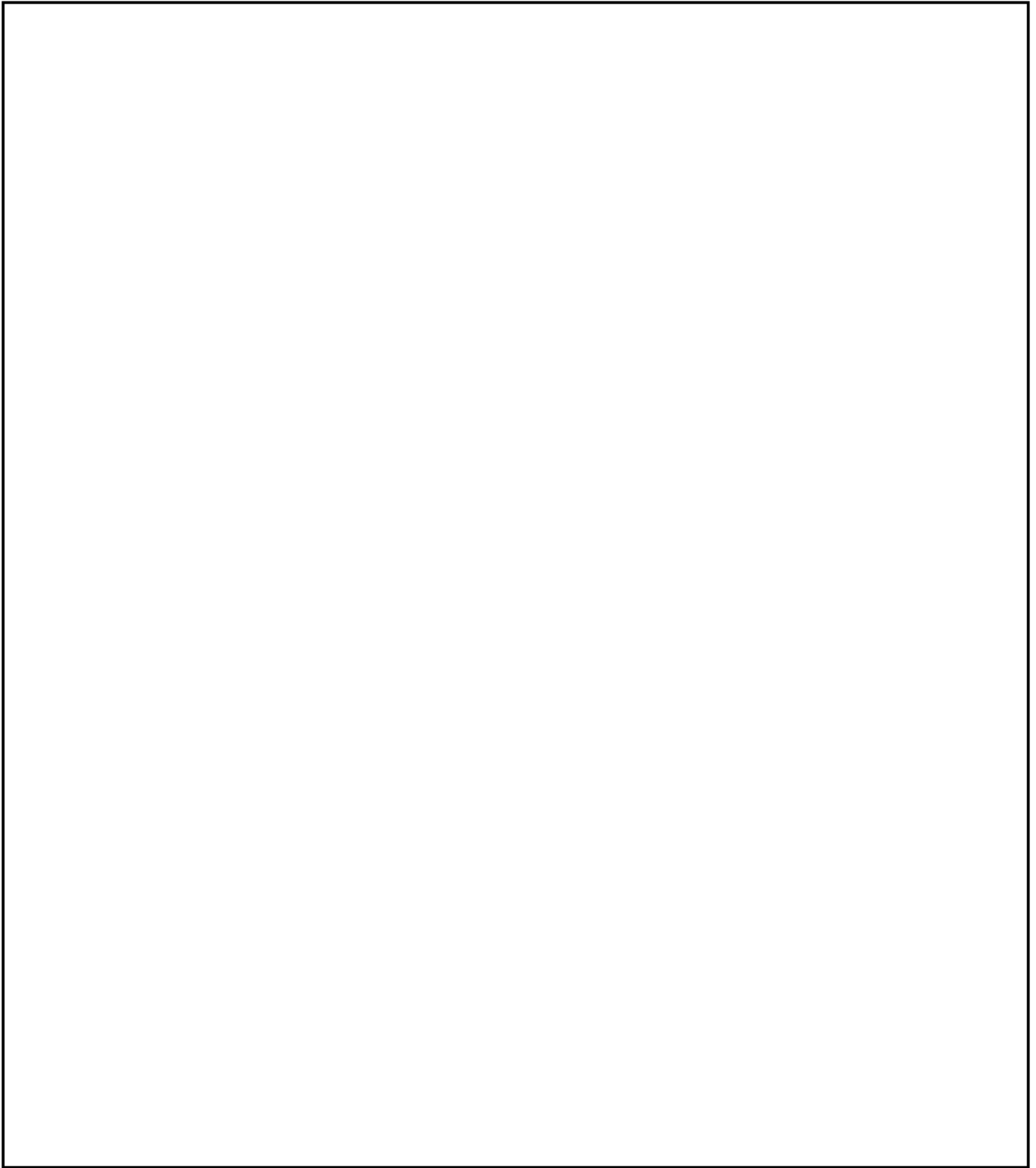
- Former Director and principal shareholder of LV Finance Group Limited
- US citizen, resides in and did business from New York City
- Transferred the shares of MegaFon to Alpha Group using nine shell companies over ten days

b7D

Alfa Group

- Russian financial entity known to be associated with Russian Organized Crime
- Hired Washington DC law firm, Akin Gump Strauss Hauer and Feld (Akin Gump)
- Akin Gump may have assisted in structuring the transfer of shares of MegaFon to Alpha Group using nine shell companies

To: Washington Field From: Washington Field
Re: 318E-WF-NEW, 09/01/2006



b7D

To: Washington Field From: Washington Field
Re: 318E-WF-NEW, 09/01/2006

b7D

August 5, 2003: Alfa Group announces that it has purchased 100 percent of MegaFon from LV Finance Group

Civil litigation: At least three suits have been filed in this matter thus far; one in Switzerland in 2004, one in Southern District of New York on June 8, 2006, and one in the US District Court in DC on July 14, 2006. One charge claimed in the last suit is that LV Finance hired private firms to investigate IPOC. Those firms may have used fake CIA credentials to obtain information.

ACS: On 09/01/2006, writer searched ACS for information on above-listed subjects. Many of the subjects/entities are referenced as part of [redacted] cases.

[redacted] FBI NY has an open investigation. case number [redacted]

[redacted] Writer contacted NY case agent [redacted] Squad C-24, who shared information obtained from Alpha Group (through their attorneys at Akin Gump). SA [redacted] did not foresee duplication with WFO opening a case.

b6
b7C
b7E

[redacted] attorney and RJI have provided writer with copies of documents, wire confirmations, stock positions, and material from their civil suits. They are willing to continue to provide additional information and make individuals available to be interviewed. Based on the above and a review of the facts, it is recommended that an investigation be opened and assigned.

b6
b7C

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/07/2006

To: International Operations
Bridgetown

Attn: SSA [REDACTED]
Attn: Legat [REDACTED]
ALAT [REDACTED]

From: Washington Field
Squad CR13 / NVRA

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 318E-WF-235018 (Pending)

Title: LEONID ROZHETSKIN;

[REDACTED]
LV FINANCE GROUP LIMITED;
ALFA GROUP;
SECURITIES FRAUD, WIRE FRAUD, SALE AND RECEIPT OF
STOLEN PROPERTY, CONSPIRACY
OO:WFO

Synopsis: To request Legat assistance in obtaining approval to conduct telephonic interviews of two individuals who work in Bermuda.

Details: Writer has been provided information that two employees of KPMG Bermuda have been working on an audit of IPOC International Growth Fund, LTD (IPOC). IPOC is the victim of the above captioned case. The employees, [REDACTED] [REDACTED] at KPMG Bermuda. The telephone number for the KPMG Bermuda office is (441)295-5063.

ALFA GROUP hired a Washington DC-based company to investigate IPOC's operations in Bermuda. Writer has been provided information that [REDACTED] were contacted by private investigators under false pretenses. The private investigators may have used falsified CIA and/or FBI credentials to obtain confidential information about IPOC from [REDACTED] [REDACTED] or their staff.

Writer requests Legat assistance in obtaining approval from Bermudian authorities to telephonically interview [REDACTED] on this matter.

b6
b7C
b7E

b6
b7C

b6
b7C

b6
b7C

b6
b7C

b6
b7C
b7E

To: International Operations From: Washington Field
Re: 318E-WF-235018, 11/07/2006

LEAD(s) :

Set Lead 1: (Info)

INTERNATIONAL OPERATIONS

AT WASHINGTON, DC

Read and clear.

Set Lead 2: (Action)

BRIDGETOWN

AT BRIDGETOWN, BARBADOS

To obtain approval from Bermudian authorities to
conduct two telephonic interviews.

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/15/2006

To: Washington Field

Attn: SSA [REDACTED]

From: Washington Field

CR-13 / NVRA

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 318E-WF-235018 (Pending)

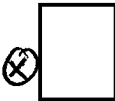
Title: ALFA GROUP, et al.

Synopsis: To provide information passed to writer that may relate to child pornography.

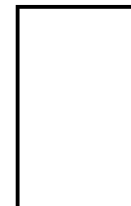
Enclosure(s): One copy of an email sent to writer.

Details: Writer was provided the attached information in an email sent by [REDACTED] (protect identity). [REDACTED]

b6
b7C
b7E



b6
b7C
b7D



11/15/06
x A

b6
b7C
b7E

To: Washington Field From: Washington Field
Re: 318E-WF-235018, 11/15/2006

LEAD(s) :

Set Lead 1: (Discretionary)

WASHINGTON FIELD

AT FALLS CHURCH, VA

Read and clear.

♦♦

FEDERAL BUREAU OF INVESTIGATION**Precedence:** ROUTINE**Date:** 11/14/2006**To:** Washington Field**From:** Washington Field
Squad CR-13 / NVRA**Contact:** SA [REDACTED]**Approved By:** [REDACTED]**Drafted By:** [REDACTED]**Case ID #:** 318E-WF-235018 (Pending)**Title:** VICTIM NOTIFICATION FORM**Synopsis:** Victim notification information**Reference:** 318E-WF-235018**Details:**

VnsCase#: 318E-WF-235018
CAgtName: [REDACTED]
PContact: Business
BusName : IPOC International Growth Fund, LTD
BusEIN :
BusAcct :
VicFirN : [REDACTED]
VicMidN :
VicLastN : [REDACTED]
SSAN :
VicDate : 20020806
VicDOD :
VicMinor:
DOB :
Race :
Sex :
Addr :
Addr2 :
City :
State :
Country :
Zip :
Email :
HPhone : [REDACTED]
Fax : (441)292-
VWrkAddr: PO Box HM 1737

b6
b7C
b7Eb6
b7Cb6
b7Cb6
b7C
b7E

To: Washington Field From: Washington Field
Re: 318E-WF-235018, 11/14/2006

VWrkadd2:
VWrkCity: Hamilton
VWrkSt : HM-GX
VWrkCtry: Bermuda
VWrkZip :
WEmail :
WPhone :
WFax :
VicPager:
NOKFirN :
NOKMidN :
NOKLastN:
NOKRel :
NOKAddr :
NOKAddr2:
NOKCity :
NOKState:
NOKCtry :
NOKZip :
NOKHEmal:
NOKWEmal:
NOKHPho :
NOKWPho :
NOKHFax :
NOKWFax :
NOKPager:
GrdFirN :
GrdMidN :
GrdLastN:
GrdRel :
GrdAddr :
GrdAddr2:
GrdCity :
GrdState:
GrdCtry :
GrdZip :
GrdHEmal:
GrdWEmal:
GrdHPho :
GrdWPho :
GrdHFax :
GrdWFax :
GrdPager:
PropRet : N
TotLoss : 051000000
Lang. :
Disable :

◆◆

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/17/2006

[redacted] (protect identity), [redacted]
[redacted] was interviewed by prior arrangement at
his office located at [redacted]
[redacted] After being advised of the identity of the
interviewing agent, and the nature of the interview, [redacted]
provided the following information:

b6
b7C
b7DInvestigation on 10/11/2006 at Washington, DCFile # 318E-WF-235018 -5 Date dictated _____by SA [redacted]b6
b7C

318E-WF-235018

Continuation of FD-302 of

[Redacted]

, On 10/11/2006, Page 2

[Redacted]

b6
b7C
b7D

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.) 1
Wall Street
Journal

Date: 10/17/2006
Edition:

Title: Why Putin's Telecom Minister Is
in Investigators' Sights Abroad

Character:
or
Classification: 318E
Submitting Office: WFO

Indexing:

IPOC INTERNATIONAL GROWTH FUND
OAO MEGAFON
ALFA GROUP

b6
b7C

b6
b7C

318E-WF-235018

- 6

Putin's Telecom Chief Is Under Investigation Abroad

Continued From First Page

large bank, Commerzbank AG. It provided loans to the Russian businesses and helped them find outside investors. The bank has acknowledged that for five years it helped to conceal the Russian businesses' true ownership, by claiming to be the owner itself.

Commerzbank, which held the assets in trust, maintains it did nothing wrong under German trust laws. Yet employees in Moscow warned management of the bank five years ago that it was helping Mr. Reiman conceal his ownership of illegally obtained state assets, according to a German police official and others with knowledge of the matter. Commerzbank says it considered and dismissed the employees' complaint.

The tangled affair offers a view inside a shadowy world of offshore accounts, oil-gate deal-making, a Bermuda mutual fund with only one real shareholder and more than a dozen apparent shell companies, with U.S. addresses in locations such as Kentucky and Delaware. Those companies list their managers as being in remote spots such as Niger, a tiny Pacific coral atoll that U.S. officials suspect as a center of Russian money laundering. Among the authorities looking at aspects of the matter is the U.S. Federal Bureau of Investigation.

Russian prosecutors have shown scant interest. After the Swiss tribunal concluded in May that Mr. Reiman owned telecom businesses and had taken official actions that helped them, Russian legislators asked Russian prosecutors to respond. A senior official at Russia's Prosecutor General office sent a letter saying his agency saw no evidence Mr. Reiman had abused his office.

Russian business has long been afflicted by corruption. But as the Kremlin during the Putin years has tightened its grip over economic and political life, problems have worsened, say some officials and business leaders.

They say a drive by Mr. Putin to increase state control in critical sectors like oil and gas—squeezing out private investors and multinational companies—has strengthened powerful Kremlin factions, which compete to expand further. Several such groups are headed by longtime Putin friends, such as the chairman of the state oil company—which has rocketed to the top ranks among oil producers in the past two years—and the head of the state arms exporter, which is expanding its reach into autos and metals.

Some who have pushed for change in Russia have left the country in the face of growing pressure. Some who stayed to fight have paid a heavy price. Last month, a central-bank official who led a drive to clean up the banking system was gunned down in an apparent contract hit. Even as Russian companies invite Western investors in as shareholders, business disputes in Russia continue to be fought at times with rough tactics.

In the case of the telecom businesses Mr. Reiman helped set up in the early 1990s, much less might be known about

Along with it, he provided a 1992 receipt for a \$1.04 million "bonus" transferred to Mr. Reiman's Swiss bank account. Mr. Reiman denies that such a transfer ever took place and says the receipt is a fake.

In late 1994, Mr. Reiman gathered his state-controlled employer's interests in the growing ventures into a firm called Telecominvest. His employer owned 95% of it. Mr. Galmond, the Danish lawyer, says that he indirectly owned the rest.

Telecom Takeoff

Landmarks in the career of Russian Telecom Minister Leonid Reiman and his connection to President Vladimir Putin:

1988: Reiman becomes deputy chief of Leningrad City Telephone Network.

1991: Putin becomes head of foreign affairs committee of city of Leningrad, by then known as St. Petersburg.

1994: Reiman forms Telecominvest with businesses part-owned by his employer.

1995-99: Telecominvest employs Putin's wife.

August 1999: Reiman becomes chairman of Russian state telecom committee; Putin is named Russia's prime minister.

November: Reiman is named Russia's telecom minister.

2000: Putin is elected Russian president.

2004: Putin reappoints Reiman as telecom minister.

But just over a year later, the interest held by Mr. Reiman's employer and another state company had shrunk to 49%. Now, 51% was in the hands of an obscure Luxembourg company called First National Holding.

What had happened was that Telecominvest issued new shares. Though the state-controlled companies, represented by Mr. Reiman, had a right to invest in these shares and maintain their dominant stake, they didn't. Instead, First National Holding put up a modest \$1.8 million for the new shares and wound up with the majority stake. Later its stake rose to 85% through the same process.

Who was this First National Holding? The question intrigued Russia's then-telecom minister, who says he learned about the new ownership in the local press and called state telecom executives for an explanation. They told him First National Holding was just a vehicle for the actual owner—Commerzbank—says the former minister, Vladimir Bulgak. So "we didn't make a scandal. We thought the Petersburgers found a good partner who would invest," he says.

Telecominvest also portrayed Commerzbank as the owner. It said in regulatory filings that the bank owned First National Holding. And the German bank itself said the same. Commerzbank—in a 2000 European Union regulatory filing, in annual reports and in letters to business

IPOC's fortunes also took off. Several companies it owned benefited from regulatory decisions by Mr. Reiman's ministry or from rich contracts with the state-controlled companies his ministry oversaw, according to a ruling of the Swiss commercial tribunal, which sits in Zurich. (The tribunal got involved because of IPOC's fight with Mr. Fridman and Alfa; one of IPOC's option agreements called for arbitration of any dispute in Zurich.)

Consider the case of Telecom XXI, a small Russian company. Control of Telecom XXI was acquired in late 1999 by businesses Mr. Galmond says he owned. The price was about \$3 million. Just over a year later, the businesses sold Telecom XXI for \$30 million—money that they promptly invested in IPOC.

Why this leap in value? In the short time the businesses controlled Telecom XXI, it won—from a branch of Mr. Reiman's ministry—a much-sought-after license to offer cellular service in and around St. Petersburg.

At the time, Russia's biggest mobile-phone company, OAO Mobile TeleSystems, or MTS, wanted to expand into that city, but its license applications were repeatedly rejected by the branch of Mr. Reiman's ministry. Ultimately, to get a license, MTS agreed to the pricey purchase of Telecom XXI.

The Zurich tribunal, although it admitted it didn't have direct evidence, concluded that Mr. Reiman had blocked MTS's applications in order to force MTS to buy a company he owned. Thus, the panel concluded, much of the huge profit in the transaction was the fruit of "abuse of official powers" by Mr. Reiman.

A spokesman for Mr. Reiman rejected the idea. He said Russian prosecutors and government auditors who looked into granting of the license found no violations, and moreover the purchase price of Telecom XXI was in line with similar transactions. A spokesman for MTS said it hadn't overpaid.

Some other IPOC money flows are harder to fathom. In an effort to defeat the allegation it was a money-laundering vehicle for Mr. Reiman, IPOC produced financial records to several courts. But the records raised still more questions.

IPOC says it doesn't get the money that it invests from shareholders, like an ordinary mutual fund, but from a group of subsidiary companies it owns. It says these earn income by lending to, or consulting for, a second set of companies.

Buro Resources LLC is an example of companies in the second group. It has paid at least \$24 million to IPOC subsidiaries for real-estate and consulting services since 2000, IPOC records say.

Regulators in Bermuda are investigating IPOC, looking at whether it committed regulatory infractions that could result in the seizure of its assets.

IPOC lists several companies as shareholders, all of which Mr. Galmond says belong to him. He says he's also the owner of other companies that hold the rest of the Russian telecom empire.

But various documents emerging in the investigation and court proceedings point to Mr. Reiman as the owner.

For instance, a 2002 letter to a Liechtenstein bank said the telecom empire belonged to Mr. Reiman. The letter bears Mr. Galmond's signature, according to an affidavit filed in a British Virgin Islands court. Mr. Galmond said the statement that the businesses belonged to Mr. Reiman was made by his staff in error.

Another document shows that Mr. Reiman was the beneficiary of a trust that controlled First National Holding, the main holder of the telecom businesses after 1996. And he had authority to order this trust to make payouts to its beneficiary—himself. Mr. Galmond says nothing has been disbursed from the trust. The document was described in an affidavit filed in Britain's Privy Council appellate court.

Commerzbank executives considered Mr. Reiman to be the bank's client, said a person familiar with its handling of the matter. The bank did due diligence on him as "the economic beneficiary" of the assets, said an affidavit filed in the Privy Council, quoting a Galmond adviser. Mr. Reiman's explanation is that the bank's lawyers looked into whether it would be legal for him to get a stake in some of the companies in the late 1990s as part of a deal Mr. Galmond proposed but that such a transaction never happened.

German prosecutors and regulators unearthed some of these documents. Germany's financial regulator, known as BaFin, knew of the concerns raised by Commerzbank's Moscow employees in 2001, but BaFin investigated no further than Commerzbank's compliance with banking regulations. BaFin closed its inquiry in 2005, without imposing any sanctions.

By then, prosecutors in the German state of Hesse had taken an interest, and police raided offices and homes of several top Commerzbank executives. Soon after, Mr. De Maiziere resigned from the bank's executive board, accepting responsibility for its failures in the Russian region. An annual report shows he left with a €2.14 million severance payment, quadruple his annual salary, which the bank says stemmed from his contract. Prosecutors in Hesse say he remains a suspect in their money-laundering investigation.

The documents unearthed by German investigators and by litigation in the various courts played a role in the May ruling by the Zurich commercial tribunal. After it heard more than two weeks of testimony from four dozen witnesses, and had reviewed reams of bank records and other documents, it declared Telecom Minister Reiman to be the owner of the Russian tele-



Jeffrey Galmond

their trail were it not for a bitter commercial fight. It concerns a roughly \$1 billion stake in a large Russian mobile-phone company, OAO Megafon.

A Bermuda entity to which the bulk of the telecom empire was transferred a few years ago claims that it has the right to purchase that Megafon stake, through option agreements. So when Mikhail Fridman, one of Russia's richest men, announced in 2003 that his business had acquired it, the Bermuda entity filed a slew of lawsuits to challenge him.

Mr. Fridman, whose \$20 billion Alfa Group is legendary in Russia for bare-knuckle business tactics, fought back. One of its strategies was to argue that the Bermuda entity couldn't make valid contracts—because it was a money-laundering vehicle for Mr. Reiman.

Alfa set out to prove that, in conjunction with the seller of the Megafon stake. They deployed phalanxes of lawyers and private investigators. They paid millions of dollars to witnesses who testified and, in one case, who secretly videotaped a conversation. The Bermuda entity fought back. The result has been far-flung legal proceedings that have opened a window on the convoluted maneuvering.



The story goes back to the early 1990s, when Mr. Reiman, in his mid-30s, was an executive at Leningrad City Telephone Network. He was in position to help remake the city's antiquated telephone services for the modern age. He met Jeffrey Galmond, a Danish lawyer then about 40, who was in town to help a client. Soon the two were close friends—vacationing together, babysitting each other's children and doing business together.

As telecommunications blossomed in the post-Soviet era, Mr. Reiman put together a network of companies for his state employer, offering a wide range of services from billing to paging. Mr. Galmond pitched in with legal help and introductions to potential foreign partners.

Mr. Reiman's employer was saddled with old technology and low regulated rates but held one trump card: Anyone seeking to provide modern phone services to the growing ranks of private businesses had to connect to its equipment. In return for its cooperation, the state company got stakes in many telecom ventures blossoming in the city, which reverted to its old name of St. Petersburg.

Mr. Reiman "was the most active person in setting up the ventures. He was a workaholic," Mr. Galmond says.

Mr. Reiman "seemed an expert in oiling the wheels" and had no compunction about doing it," said Anthony Georgiou, a British businessman who owned a share in one of the ventures and claims he was cheated out of it. Mr. Georgiou's statement was part of a sworn affidavit filed in court in British Virgin Islands.

partners—said it owned First National. Now it admits that wasn't the case.

Mr. Reiman says the real owner was his Danish friend Mr. Galmond, who wanted to keep his privacy in Russia's sometimes-violent business world. Mr. Reiman adds that his state-controlled employer didn't actually suffer when its interest in the businesses was drastically diluted, because they later grew so much in value. Independent analysts estimate the businesses' value at more than \$1 billion.

German police found a long internal report from Commerzbank's Moscow office warning that the bank was improperly helping Mr. Reiman conceal ownership of state assets, says a senior German police official. According to the official and to others with knowledge of the case, the employee who wrote the internal report told investigators that in 2001 he tried to give it to Commerzbank Chief Executive Klaus-Peter Müller at bank headquarters in Frankfurt, but Mr. Müller turned his back and wouldn't acknowledge it.

Commerzbank denies that happened. It confirms that an official in Moscow raised concerns. But "Mr. Müller isn't somebody who turns his back on problems," said a spokesman for the bank, which wouldn't make Mr. Müller available for an interview. This spring German prosecutors, not finding any documentary evidence to implicate Mr. Müller, said they had removed him from a list of suspects in the money-laundering investigation. The bank acknowledges that its executives did read the report, and according to a person familiar with the continuing investigation, some remain on the list of suspects.

The bank's Frankfurt-based head of East European operations, Andreas De Maiziere, told the complaining Moscow employees to stay out of Frankfurt's business, according to people with knowledge of the matter. Through a lawyer, Mr. De Maiziere declined to comment.

Commerzbank reassigned one of the Moscow employees to an office building in Frankfurt that was otherwise empty. Another quit and wrote in a resignation letter that the bank's business with Mr. Reiman made him "sick to my stomach," says someone who has seen the letter. Commerzbank says assignments weren't retribution but just temporary jobs until suitable new posts could be found.

In 2001 Commerzbank ended its trust arrangement with the telecom businesses. As a new repository for them, Mr. Galmond, the Danish lawyer, set up several Bermuda entities, including one called IPOC International Growth Fund Ltd., which he registered as a mutual fund. Several bank executives who had worked on the telecom businesses quit and moved to a firm Mr. Galmond set up in Frankfurt to manage IPOC.

By this time, Mr. Reiman had risen to the post of telecom minister in President Putin's government, with broad authority over one of the fastest-growing parts of Russia's economy. He also retained his close ties to Mr. Putin, whose wife got a job at Telecominvest after Mr. Putin moved to Moscow but before Mr. Putin made his ascent to the pinnacle of power.

Yet the payments, many from a St. Petersburg bank, began even before Euro Resources was incorporated—and even before any consulting contracts were signed—IPOC documents show. IPOC provided no proof its subsidiaries did work for Euro Resources in return for the \$24 million.

IPOC gives Euro Resources' address as Lexington, Ky. Phone directories in Lexington list no such company. In Kentucky state registration filings, Euro Resources says that its head office is at an address in Salem, Ore. But there doesn't seem to be any listing for the company in Salem, either.

Other Kentucky filings say Euro Resources' managers are still farther away: one in a small town in the Central American country of Belize and one in the Pacific island of Niue, population 800.

Wire-transfer records show Euro Resources' payments passing through various conduits, from Cyprus to Nevada, before reaching IPOC. Along the way, they passed through the New York offices of Barclays PLC and J.P. Morgan Chase & Co. The banks say they complied with all money-laundering laws.

IPOC records list at least 14 such apparent shell companies that have U.S. addresses and pay money to IPOC. Most have bank accounts in Latvia—a former Soviet republic where, the U.S. Treasury stated last year in the Federal Register, rampant official corruption impedes enforcement of money-laundering laws.

he had misused his position to build the business empire from assets that once belonged to the Russian state, and expanded it by abusing his office as minister. IPOC says it has appealed the ruling to the Swiss Supreme Court.

In the spat with the oligarch Mr. Fridman's Alfa Group that set off all this probing of IPOC, the Bermuda fund has scored a round within Russia. There, prosecutors recently ordered the arrest of the man who sold the stake in the Megafon cellphone company to IPOC's nemesis, Alfa. Mr. Reiman is preparing libel lawsuits against several witnesses who testified against him, a spokesman for the telecom minister says.

German prosecutors say their money-laundering investigation is complicated by the need to establish that a crime occurred at the beginning of the chain in Russia. They would need to show that the money that coursed through Commerzbank was dirty to begin with.

In Russia, authorities have shown little interest beyond a 1997 investigation by prosecutors in St. Petersburg, which found no significant violations in the 1994 formation of Telecominvest. No senior Russian official other than Mr. Reimar has publicly commented on the allegations against him. Russian prosecutors when asked by legislators to respond to the Zurich tribunal's ruling, said they saw no evidence that IPOC had engaged in suspicious financial operations.

Russian Connection

Why Putin's Telecom Minister Is in Investigators' Sights Abroad

German and Swiss Probes Tag Leonid Reiman as Owner Of Businesses He Oversees Commerzbank's Unusual Role

Russian President Vladimir Putin said last month that the inability to root out corruption has been a chief failing of his six-year administration.

One of the most serious allegations

By Gregory L. White, David Crawford and Glenn R. Simpson

about corruption in Russia hits close to home. It is that Mr. Putin's longtime friend and minister of telecommunications owns chunks of the industry he oversees, having surreptitiously converted telecom businesses from state ownership years ago.

No Russian investigators say this.



Leonid Reiman

The allegation comes from German prosecutors and a Swiss commercial tribunal, both of which say that a vast international money-laundering scheme has been used to conceal a diversion of state assets by the Russian minister, Leonid Reiman. A close examination of the allegations shows what investigators are working from: a trail of documents and witnesses unearthed in court cases and police inquiries ranging over four European jurisdictions and the British Virgin Islands.

Mr. Reiman was an executive of a state-controlled telephone company when

Under the Microscope

Russian Telecom Minister Leonid Reiman is being investigated abroad for allegedly owning telecom businesses he oversees and helping them profit, which he denies. One episode being looked at took place from late 1999 to early 2001:

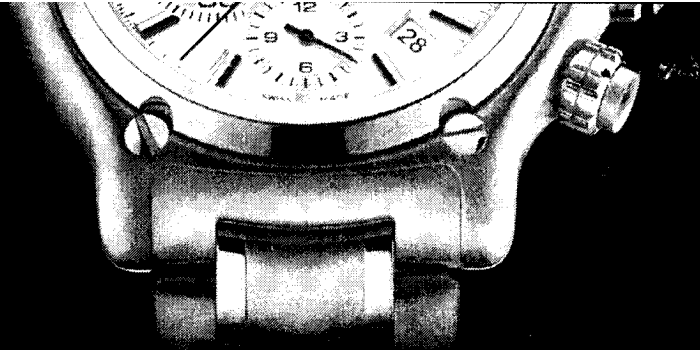
- Companies allegedly controlled by Reiman buy control of small firm called Telecom XXI for \$3 million.
- Big Russian cellphone company MTS seeks license to operate in St. Petersburg.
- Reiman's ministry denies MTS the license but grants one to Telecom XXI.
- MTS buys Telecom XXI for 10 times its sale price from a year earlier.
- Seller puts proceeds in a Bermuda fund alleged to be owned by Reiman.

Source: Ruling of ad hoc Zurich commercial arbitral tribunal

communism collapsed in Russia 15 years ago. In the new climate, he helped set up a number of private telecom businesses. The German prosecutors and Swiss tribunal say he then used his position to shift control of the businesses to foreign holding companies he owned. The Swiss tribunal further alleges that later, after becoming telecom minister, he made decisions that yielded millions of dollars in profits for these businesses. German prosecutors are also looking into that.

Mr. Reiman, in an interview, says he has never owned the telecom businesses at issue. He says they are instead owned by a Danish lawyer friend with whom he worked closely in setting them up in the early 1990s. Mr. Reiman blames the allegations on a smear campaign by a wealthy Russian oligarch with whom one of the businesses is in a dispute.

In Germany, the probe has also raised serious questions about the role of a
Please Turn to Page A13, Column 1



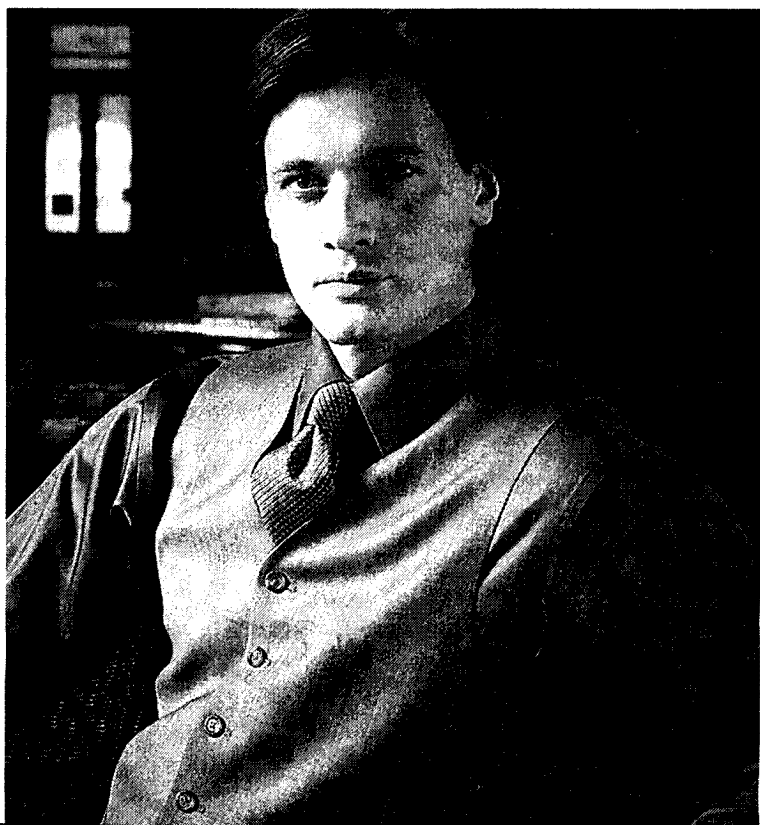
THE MASTERY OF TECHNOLOGY AND DESIGN

Introducing Ebel 1911 BTR - Watches of sophisticated function, powered by Ebel COSC-certified movements; each developed, assembled and controlled in Ebel's workshops in Switzerland.

A collection for men. From \$4,450. Model shown, \$5,100.

© 2006 Ebel

WWW.1911BTR.COM



- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/28/2006

On 11/27/2006, writer participated in a conference call
[redacted] (protect identity), [redacted]

b6
b7C
b7D

[redacted] and [redacted]
[redacted]

[redacted] who is familiar with the
interviewing Agent, provided the following information:

b6
b7C
b7D

Investigation on 11/27/2006 at Falls Church, Virginia (telephonically)

File # 318E-WF-235018 - 7 Date dictated _____

by SA [redacted]

b6
b7C

- 17



12/1/2006

b6
b7C

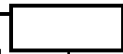
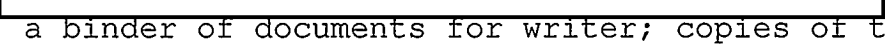
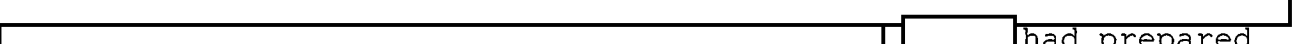
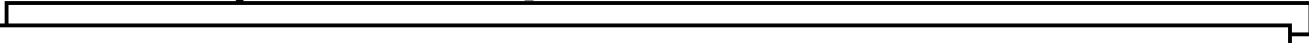
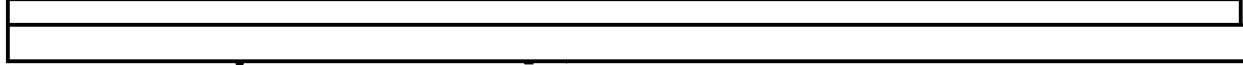
318E-WF-235018 - 2



b6
b7C

1

On 07/14/2006, writer met with



had prepared

a binder of documents for writer; copies of the documents are attached hereto. A summary of the documents are as follows:

b6
b7C
b7D



b6
b7C
b7D

Page 91 ~ b6; b7C; b7D;
Page 92 ~ b7D;
Page 93 ~ b6; b7C; b7D;
Page 94 ~ b7D;
Page 95 ~ b6; b7C; b7D;
Page 96 ~ b7D;
Page 97 ~ b6; b7C; b7D;
Page 98 ~ b7D;
Page 99 ~ b6; b7C; b7D;
Page 100 ~ b6; b7C; b7D;
Page 101 ~ b7D;
Page 102 ~ b7D;
Page 103 ~ b7D;
Page 104 ~ b6; b7C; b7D;
Page 105 ~ b6; b7C; b7D;
Page 106 ~ b7D;
Page 107 ~ b6; b7C; b7D;
Page 108 ~ b6; b7C; b7D;
Page 109 ~ b7D;
Page 110 ~ b6; b7C; b7D;
Page 111 ~ b6; b7C; b7D;
Page 112 ~ b6; b7C; b7D;
Page 113 ~ b6; b7C; b7D;
Page 114 ~ b7D;
Page 115 ~ b6; b7C; b7D;
Page 116 ~ b7D;
Page 117 ~ b6; b7C; b7D;
Page 118 ~ b7D;
Page 119 ~ b6; b7C; b7D;
Page 120 ~ b6; b7C; b7D;
Page 121 ~ b7D;
Page 122 ~ b6; b7C; b7D;
Page 123 ~ b7D;
Page 124 ~ b6; b7C; b7D;
Page 125 ~ b7D;

XXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1486031-000

Total Deleted Page(s) = 102

Page 1 ~ b6; b7C; b7D;
Page 2 ~ b6; b7C; b7D;
Page 3 ~ b7D;
Page 4 ~ b6; b7C; b7D;
Page 5 ~ b7D;
Page 6 ~ b7D;
Page 7 ~ b7D;
Page 8 ~ b7D;
Page 9 ~ b7D;
Page 10 ~ b7D;
Page 11 ~ b7D;
Page 12 ~ b7D;
Page 13 ~ b7D;
Page 14 ~ b7D;
Page 15 ~ b7D;
Page 16 ~ b7D;
Page 17 ~ b7D;
Page 18 ~ b7D;
Page 19 ~ b7D;
Page 20 ~ b7D;
Page 21 ~ b7D;
Page 22 ~ b7D;
Page 23 ~ b7D;
Page 24 ~ b7D;
Page 25 ~ b7D;
Page 26 ~ b7D;
Page 27 ~ b7D;
Page 28 ~ b7D;
Page 29 ~ b7D;
Page 30 ~ b7D;
Page 31 ~ b7D;
Page 32 ~ b7D;
Page 33 ~ b7D;
Page 34 ~ b7D;
Page 35 ~ b7D;
Page 36 ~ b7D;
Page 37 ~ b7D;
Page 38 ~ b7D;
Page 39 ~ b7D;
Page 40 ~ b7D;
Page 41 ~ b7D;
Page 42 ~ b7D;
Page 43 ~ b7D;
Page 60 ~ b6; b7C; b7D;
Page 61 ~ Duplicate;
Page 62 ~ b6; b7C; b7D;
Page 63 ~ b6; b7C; b7D;
Page 64 ~ b6; b7C; b7D;
Page 65 ~ b6; b7C; b7D;
Page 66 ~ b6; b7C; b7D;
Page 67 ~ b6; b7C; b7D;
Page 68 ~ b6; b7C; b7D;
Page 69 ~ b6; b7C; b7D;
Page 70 ~ b6; b7C; b7D;
Page 71 ~ b6; b7C; b7D;
Page 72 ~ b6; b7C; b7D;
Page 73 ~ b6; b7C; b7D;
Page 74 ~ b6; b7C; b7D;
Page 75 ~ b6; b7C; b7D;
Page 76 ~ b6; b7C; b7D;
Page 77 ~ b6; b7C; b7D;
Page 78 ~ b6; b7C; b7D;
Page 79 ~ b6; b7C; b7D;
Page 81 ~ Duplicate;
Page 83 ~ Duplicate;
Page 85 ~ b6; b7C; b7D;
Page 86 ~ b6; b7C; b7D;

To: Washington Field From: Washington Field
Re: 318E-WF-235018 (Closed), 02/28/2008

On 03/17/2008, AUS [redacted] advised [redacted]

[redacted] AUSA [redacted]
further advised that [redacted]

b5
b6
b7C

On 03/17/2008, writer advised SA [redacted] of the
information provided by AUSA [redacted]

On 03/31/2008, writer reviewed ACS for all evidence
acquired related to this case. There is no evidence in the 1B
section of the case.

Based on the above information, it is requested that
the captioned investigation be closed.

♦♦

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

**IPOC INTERNATIONAL GROWTH FUND LIMITED,)
a Bermuda Limited Liability Company,)
Richmond House)
12 Par-la-ville Road)
5th Floor)
Hamilton, HM 11, Bermuda,**

Plaintiff,

v.

**DILIGENCE, LLC,
1211 Connecticut Avenue
6th Floor
Washington, D.C. 20036**

and

**BARBOUR GRIFFITH & ROGERS, LLC,
1275 Pennsylvania Avenue, N.W.
Tenth Floor
Washington, DC. 20004,**

Defendants.

CASE NUMBER 1:06CV01109

JUDGE: Paul L. Friedman

DECK TYPE: TRO/Preliminary Injunction

DATE STAMP: 06/16/2006

**RECEIVED
U.S. DISTRICT COURT
DISTRICT OF COLUMBIA
2006 JUN 15 PM 3
JACOB M.
MAYER-WILTING
CLERK**

**COMPLAINT OF IPOC INTERNATIONAL
GROWTH FUND LIMITED FOR INJUNCTIVE RELIEF AND DAMAGES**

IPOC International Growth Fund Limited ("IPOC"), by counsel, for its Complaint against Defendant Diligence LLC ("Diligence") and Barbour Griffith & Rogers LLC ("BGR"), alleges as follows:

NATURE OF THE CASE

1. KPMG-Financial Advisory Services Limited ("KPMG FAS") and two of its managing directors, Malcolm Butterfield and Michael Morrison, were appointed by the Minister of Finance of Bermuda to conduct an investigation of IPOC and affiliated Bermuda companies (the "Investigation"). Upon information and belief, the Investigation was instigated by IPOC's

litigation adversaries. Defendants Diligence and BGR, at the instruction of IPOC's litigation adversaries, obtained by unlawful means confidential materials generated in the course of the Investigation and improperly attempted to influence the outcome of the Investigation. In particular, Diligence and BGR used wrongful means to acquire information regarding IPOC that KPMG FAS had obtained or generated as a part of its Investigation. Diligence then disclosed that information to third parties, including IPOC's litigation adversaries, as directed by BGR.

2. In this action, IPOC seeks to hold Diligence and BGR liable for tortious interference with business relationships and expectancies, violation of the Computer Fraud and Abuse Act, 18 U.S.C. § 1030, procuring information by improper means, tortious interference with contractual relations, unfair competition, civil conspiracy and unjust enrichment. IPOC seeks to enjoin Diligence and BGR from further: (a) dissemination of information pertaining to the Investigation that Diligence and BGR obtained by improper means; (b) efforts to obtain confidential information pertaining to the Investigation; and (c) attempts to interfere with or influence the Investigation. IPOC also seeks compensatory damages, punitive damages, attorneys' fees, and costs against both Defendants. This case is related to another case filed by KPMG FAS in this District. *See* Civil Action No. 05-2204.

THE PARTIES

3. Plaintiff IPOC International Growth Fund Limited is a Bermuda Limited Liability Company, with headquarters located at 12 Par-la-ville Road, 5th Floor, Hamilton, HM 11, Bermuda.

4. Defendant Diligence LLC is a Delaware limited liability company with headquarters in Washington, D.C. Diligence describes itself on its website and in its press releases as a company comprised of former Central Intelligence Agency ("C.I.A.") and British

MI5 operatives that “specialize in obtaining non-public or hard-to-get information on corporations.” See www.diligencecorp.com, and Diligence press release dated April 7, 2005.

5. On information and belief, Diligence’s Chairman Richard Burt also serves as a member of the Advisory Board of Alfa Capital. Alfa Capital is part of the Alfa Group (collectively “Alfa”), which in turn owns LV Finance Group Ltd (“LVFG”). As explained below, Alfa and LVFG are litigation adversaries of IPOC.

6. Barbour Griffith & Rogers LLC (“BGR”) is a Delaware Limited Liability Company with headquarters in Washington, D.C. According to its website, Barbour Griffith & Rogers LLC “brings together some of the most accomplished public policy advocates in America. BGR’s lobbyists have a diverse range of backgrounds, having served in the White House, Congress, in senior-level positions in executive agencies, gubernatorial, congressional, and presidential campaigns.” Ed Rogers and Haley Barbour founded BGR in 1991. Ed Rogers is currently Chairman of BGR. According to the Diligence website, Ed Rogers is also on the Advisory Board of Diligence. BGR’s website lists Alfa Bank as a client.

JURISDICTION AND VENUE

7. This Court has *in personam* jurisdiction over Defendant Diligence because it is a citizen and resident of the District of Columbia.

8. This Court has *in personam* jurisdiction over Defendant BGR because it is a citizen and resident of the District of Columbia.

9. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332(a)(1) because the matter in controversy exceeds the sum of \$75,000, exclusive of interest and costs, and the action is between citizens of the District of Columbia and a citizen or subject

of a foreign state. This Court also has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331 because it involves a civil action arising under the laws of the United States.

10. Venue in this district is proper pursuant to 28 U.S.C. § 1391(a).

FACTUAL BACKGROUND

11. IPOC has been engaged in worldwide court and arbitration proceedings since August 2003 to recover a unique and very valuable 25.1% stake in the Russian mobile telephone operator, MegaFon. IPOC contends in certain of these proceedings that it is entitled to this stake by virtue, among other reasons, of two option agreements entered into in 2001 with LVFG, and that Alfa and LVFG and their controllers colluded in a fraudulent and illegal scheme to transfer the optioned stake in MegaFon to companies belonging to the Alfa Group. IPOC alleges in these proceedings that LVFG is effectively controlled by, or operated for the benefit of, the Alfa Group in the ongoing litigation.

12. The submission of the dispute over the MegaFon stock was governed by an arbitration provision in a contract to which IPOC was a party.

13. Subsequent to the initiation of these proceedings by IPOC, IPOC's litigation adversaries LVFG and Alfa, on information and belief, embarked on a plan to have IPOC's corporate charter terminated by the government of Bermuda and, in furtherance of the plan, instigated an investigation of IPOC by the Bermuda Minister of Finance pursuant to the Bermuda Companies Act of 1981 (the "Investigation").

14. The Bermuda Companies Act of 1981 (the "Act") requires that the Investigation remain confidential unless the company under investigation requests that it be made public. The Act states:

Section 132(6). Any investigation under this section shall be held in private *unless the company requests that it be held in public.*

Section 132(7). The inspector may from time to time report to the Minister and shall upon completion of his investigation report to him and shall send copies of such reports to the company. *No other person shall be informed of the nature or contents of the report save at the request of the company or on the direction of the Minister.*

Bermuda Companies Act of 1981 (emphasis added). The Bermuda Companies Act of 1981 also requires the company being investigated to pay for the costs of the investigation.

15. KPMG FAS was retained by the Bermuda Minister of Finance to conduct the Investigation. IPOC and its affiliates have been charged with the costs of KPMG FAS's investigation. To date, IPOC and its affiliates have paid KPMG FAS over \$8 million. Such costs are continuing.

16. Neither IPOC nor any of its affiliates have requested that the Investigation be made public or be conducted under anything other than the strictest confidence. Moreover, IPOC has provided information to KPMG FAS only pursuant to KPMG FAS' agreement that such confidentiality would be maintained.

17. In the course of the Investigation, and pursuant to statutory and contractual understandings of confidentiality, KPMG FAS obtained internal IPOC business documents and interviews from IPOC personnel.

18. Upon information and belief, IPOC's litigation adversaries retained BGR, which in turn retained Diligence, to improperly obtain information received or generated by KPMG FAS in the Investigation and to improperly influence the Investigation on behalf of IPOC's litigation adversaries.

19. On information and belief, Diligence, at the direction of BGR, used fraudulent means, including impersonation of United States and/or British intelligence agents, fraud and

deception, to infiltrate and/or bribe one or more agents or servants of KPMG FAS, to improperly influence the Investigation, and to misappropriate the information that KPMG FAS had obtained from IPOC in the course of the confidential Bermuda Investigation.

20. Diligence obtained through fraud and bribery "confidential documents and information about the IPOC investigation," which involved "confidential financial and other business records of IPOC and [transcripts of] interviews of individuals who have relevant information about IPOC..." See Compl. of KPMG FAS filed in Civil Action No. 05-2204 (PLF), ¶¶ 12, 17 and 18.

21. Upon information and belief, when it engaged in this fraudulent activity, Diligence was acting on behalf of Defendant BGR, which was acting on behalf of litigation adversaries of IPOC, and Diligence provided the misappropriated business information to such litigation adversaries of IPOC. Indeed, a portion of the unlawfully obtained materials appeared almost verbatim in submissions made by LVFG to a Zurich arbitral tribunal in the proceedings referenced above. In addition, on information and belief, Diligence and/or IPOC's litigation adversaries LVFG and Alfa leaked portions of the misappropriated Draft Report to the press, which published, as recently as January 31, 2005, articles revealing the contents of the unlawfully obtained materials (which KPMG FAS has not shared with IPOC or its affiliates).

22. Diligence submitted invoices to BGR, including an invoice "[f]or Bermuda report and German work - A Telecom"; and for "June Consulting Alfa Telecom - Subcontractor Fee."

23. KPMG FAS filed suit against Diligence in the United States District Court for the District of Columbia, Case No. 05-2204 (PLF) alleging that Diligence used improper and illegal means to attempt to influence its Investigation and to obtain from KPMG FAS confidential documents obtained or generated in the course of the Investigation.

COUNT I
TORTIOUS INTERFERENCE
WITH BUSINESS EXPECTANCIES

24. IPOC repeats and realleges the allegations of paragraphs 1 through 23 of this Complaint as if fully set forth herein.

25. IPOC entered into business relationships and possessed reasonable business expectancies, including, but not limited to, business expectancies that: (a) the Zurich arbitration in which it sought to enforce its rights would be conducted without malicious interference and would not be tainted by improper or illegal activities calculated to corrupt the Zurich arbitration for the benefit of IPOC's litigation adversaries; (b) the Investigation would be conducted in a evenhanded and impartial manner and in accord with the requirements imposed upon KPMG FAS in its position as investigator; (c) the materials and information provided by IPOC to KPMG FAS would be held in strict confidence, used solely in connection with the Investigation and would not be utilized to further the interests of IPOC's litigation adversaries; and (d) IPOC's charter would not be attacked by improper or illegal means, including bribery, fraud and deception.

26. Diligence and BGR had knowledge of the business relationships and expectancies possessed by IPOC.

27. Diligence and BGR engaged in improper, fraudulent, deceptive and illegal conduct calculated to interfere with IPOC's existing business relationships and expectancies, including, but not limited to, IPOC's expectancies that the Zurich arbitration and the Investigation would be conducted in an evenhanded and impartial manner, that the materials provided by IPOC to KPMG FAS would be used solely to further the Investigation and not to

further the interests of IPOC's litigation adversaries, and that IPOC's charter would not be attacked by use of improper and illegal means, including bribery, fraud and deception.

28. The intentional and malicious actions of BGR and Diligence have interfered with IPOC's business relationships and have damaged, and will continue to damage, IPOC's business expectancies unless BGR and Diligence are restrained. IPOC has no remedy at law for the continued harm to IPOC caused by the improper and deceitful actions of Diligence and BRG to corruptly influence both the Zurich arbitration and the Investigation and to attack IPOC's corporate charter.

COUNT II
VIOLATION OF THE COMPUTER
FRAUD AND ABUSE ACT

29. IPOC repeats and realleges the allegations of paragraphs 1 through 28 of this Complaint as if fully set forth herein.

30. KPMG FAS possesses and utilized in the course of the Investigation computers used in interstate or foreign commerce or communication ("KPMG FAS Computers").

31. Upon information and belief, one or more agents of Diligence and/or BGR, intentionally and with intent to defraud, accessed, without authorization or in excess of authorized access, one or more KPMG FAS Computers and thereby obtained information and documents related to the Investigation, which have considerable value to IPOC's adversaries.

32. The KPMG FAS Computers that were accessed by Diligence and/BGR, knowingly and with intent to defraud, without authorization and/or by exceeding authorized access, are used in foreign commerce and communication in such a manner that affects foreign commerce.

33. The actions taken by Diligence and/or BGR to illegally access one or more of the KPMG FAS Computers, without authorization or in excess of authorization, in contravention of 18 U.S.C. § 1030, caused damage and loss to IPOC in excess of \$5,000, in furtherance of a plan to damage IPOC, knowingly and with intent to defraud.

34. IPOC has standing to bring a claim under 18 U.S.C. § 1030(g) because of the damage and loss it suffered as a result of the knowing, intentional, fraudulent and illegal access of one or more of the KPMG FAS Computers without authorization and/or in excess of its authorization by Diligence and BGR and/or their agents.

COUNT III
PROCURING INFORMATION
BY IMPROPER MEANS

35. IPOC repeats and realleges the allegations of paragraphs 1 through 34 of this Complaint as if fully set forth herein.

36. Diligence and BGR had a duty to refrain from seeking to procure by improper means, including, but not limited to, theft, trespass, bribery, fraud and criminal acts, information about IPOC's business that was held in confidence. *Pestco, Inc. v. Associated Products, Inc.* 2005 Pa. Super 276; 880 A.2d 700 (Pa.Super. 2005) (citing *Den-Tal-Ez, Inc. v. Siemens Capital Corp.*, 389 Pa. Super. 219; 566 A.2d 1214 (Pa. Super. 1989) (citing *Restat. Torts 2d* § 759.)

37. Diligence and BGR procured by improper and illegal means information about IPOC's business that was held by KPMG FAS in the strictest confidence pursuant to agreement and statute.

38. The information about IPOC's business was procured by Diligence and BGR from KPMG FAS for the purpose of advancing rival business interests and was used and disclosed by Diligence and BGR for the purpose of advancing such rival business interests.

39. IPOC was, and continues to be, harmed by the activities of Diligence and BGR, including the procurement by improper means, possession, disclosure and use of information about IPOC's business.

COUNT IV
TORTIOUS INTERFERENCE
WITH CONTRACTUAL RELATIONS

40. IPOC repeats and realleges the allegations of paragraphs 1 through 39 of this Complaint as if fully set forth herein.

41. IPOC and KPMG FAS entered into an agreement whereby IPOC would provide to KPMG FAS information, including documents and testimony of witnesses, on a confidential basis, to assist KPMG FAS in carrying out its Investigation. KPMG FAS promised to hold strictly confidential all information provided by, or received as a result of, IPOC's submissions to KPMG FAS (the "Agreement").

42. On information and belief, BGR and Diligence knew of the Agreement between IPOC and KPMG FAS.

43. On information and belief, BGR and Diligence intentionally and maliciously induced and/or procured a breach of the Agreement between IPOC and KPMG FAS.

44. IPOC has suffered, and will continue to suffer, irreparable harm and damages as a result of Diligence's interference with IPOC's contractual relations with KPMG FAS.

COUNT V
COMMON LAW UNFAIR COMPETITION

45. IPOC repeats and realleges the allegations of paragraphs 1 through 44 of this Complaint as if fully set forth herein.

46. Diligence and BGR, agents acting on behalf of IPOC's litigation and business competitors, Alpha and LVFG, who had a duty to compete fairly with IPOC, breached the duty

to compete fairly by using bribery, deceit and other misconduct to misappropriate IPOC's business information.

47. Diligence and BGR exploited and misused the stolen IPOC business information for the a benefit of IPOC's litigation adversaries and commercial rivals.

48. The conduct of Diligence and BGR was calculated to harm IPOC and to advance rival litigation and commercial interests and was intentional, malicious and in bad faith. Upon information and belief, such conduct includes, but is not limited to, interference with the Investigation of IPOC's business, intimidation of employees and agents of KPMG FAS in the course of the Investigation of IPOC's business, impersonation of United States and/or British agents and bribery.

49. IPOC suffered, and continues to suffer, harm as a result of the actions of Diligence and BGR, including but not limited to acts constituting unfair competition.

COUNT VI
COMMON LAW CONSPIRACY

50. IPOC hereby realleges and incorporates the allegations of paragraphs 1 through 49 of this Complaint as though fully restated herein.

51. Upon information and belief, Diligence and BGR combined, with one another and with IPOC's litigation adversaries, to accomplish, by concerted action, unlawful and tortious acts, including, but not limited to, intentional interference with contractual relationships and business expectancies, violation of the Computer Fraud and Abuse Act, procurement of information by improper means and engaging in unfair competition.

52. Upon information and belief, Defendants acted in concert to damage IPOC intentionally, maliciously and without lawful justification.

53. Upon information and belief, IPOC has been damaged by the overt acts of Diligence and/or BGR that unlawfully and intentionally interfered with IPOC's contractual relationships and business expectancies, violated the Computer Fraud and Abuse Act, procured information by improper means, and engaged in unfair competition, in furtherance of the Defendants' common scheme.

COUNT VII
UNJUST ENRICHMENT

54. IPOC hereby realleges and incorporates the allegations of paragraphs 1 through 53 of this Complaint as though fully restated herein.

55. Diligence and BGR have received substantial sums of money in exchange for their tortious interference with IPOC's business relationships, expectancies and contracts, and violation of the Computer Fraud Act, for the information wrongfully obtained and for their attempts to wrongfully influence KPMG FAS' Investigation and the Zurich arbitration.

56. The sums received by Diligence and BGR as a result of their wrongful conduct were earned at the expense of and to the detriment of IPOC.

57. It is unfair and inequitable for Diligence and BGR to retain the funds wrongfully earned at the expense of and to the detriment of IPOC.

PRAYER FOR RELIEF

WHEREFORE, IPOC respectfully requests that this Court grant the following relief to IPOC:

A. Enter judgment declaring that Diligence and BGR have: (1) tortiously interfered with IPOC's business relationships and expectancies, as alleged in Count I; (2) violated the Computer Fraud and Abuse Act, as alleged in Count II; (3) procured information

by improper means, as alleged in Count III; (4) tortiously interfered with IPOC's contractual relations, as alleged in Count IV; (5) engaged in unfair competition as alleged in Count V, (6) conspired to commit the illegal acts alleged in Counts I-V; and (7) have been unjustly enriched as alleged in Count VII.

B. Enter a preliminary and permanent injunction,

1) Enjoining Diligence, its officers, subsidiaries, parents, divisions, affiliates, agents, servants, employees, and attorneys, and those persons acting in active concert or participation with them, and BGR, its officers, subsidiaries, parents, divisions, affiliates, agents, servants, employees, and attorneys, and those persons acting in active concert or participation with them, from disclosing, using or communicating, to anyone, or duplicating (electronically or otherwise), for any purpose, in public or in private, information provided by IPOC to KPMG FAS in the course of the Investigation, or any information based upon, derived from or which refers to any portion of any such document or information obtained from KPMG FAS or IPOC, including but not limited to transcripts, reports, summaries, compilation, drafts, correspondence or other materials;

2) Enjoining Diligence, its employees and agents, and BGR, its employees and agents, from having or instituting any contact with KPMG FAS or its current or former employees or agents regarding the Investigation or otherwise;

3) Enjoining Diligence, its employees and agents, and BGR, its employees and agents, from accessing any KPMG FAS Computer or using or disseminating any information obtained directly or indirectly from any KPMG FAS Computer;

4) Directing Diligence, its employees and agents, and BGR, its employees and agents, to make a full disclosure to Plaintiff regarding: (i) all contacts Diligence

has made with KPMG FAS' employees, agents or computers; (ii) all documents and information it has obtained from KPMG FAS; (iii) all payments made to KPMG FAS or any of its employees or agents by Diligence or BGR, directly or indirectly; (iv) all payments made to Diligence or its employees or agents or to BGR or its employees or agents to influence the Investigation, to obtain information related to the Investigation or for any purpose related to the Investigation; and (v) the manner in which such documents and information have been obtained, disclosed or communicated to and by Diligence or BGR, their employees and agents, including the identities of all persons and entities to whom such communication or dissemination was made, the date and method of the disclosure, and the contents of such disclosures; and

5) Directing that Diligence and BGR, their employees and agents (and those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise) immediately return to IPOC all information, in whatever form, obtained from KPMG FAS regarding IPOC and/or KPMG FAS' investigation of IPOC, take all action necessary to eliminate any and all traces of the documents and information from any and all digital storage media that are within the control of Diligence or BGR, their employees and/or agents and the parties to whom they provided any such information, and cease and desist from using this information for any purpose.

C. Enter judgment against Diligence and BGR jointly and severally, and in favor of IPOC in an amount of compensatory damages exceeding \$75,000, caused by the commission of the common law torts of interference with business relationships and expectancies, violation of the Computer Fraud and Abuse Act, procuring information by improper means, interference with contractual relations, unfair competition and civil conspiracy, as alleged in Counts I, and II, III, IV, V and VI.

D. Direct Diligence and BGR to disgorge to IPOC all monies received in connection with any attempt to obtain information related to IPOC or the Investigation and/or to influence the Investigation and the Zurich arbitration.

E. Enter an order directing Diligence and BGR, their employees and agents, to take all other action that is necessary to redress the harm caused by the wrongful conduct of Diligence and/or BGR and to prevent any recurrence of such harm.

F. Award IPOC its costs incurred in this action, including attorneys' fees.

G. Enter judgment in an amount of punitive damages necessary to punish and deter defendants for their wrongful conduct.

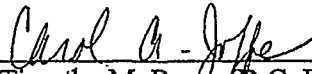
H. Award IPOC such other and further relief as this Court may deem just and proper.

Respectfully submitted,

IPOC INTERNATIONAL GROWTH FUND
LIMITED

OF COUNSEL:

Kimball R. Anderson
WINSTON & STRAWN LLP
35 W. Wacker Drive
Chicago, Illinois 60601
Tel: (312) 558-5858
Fax: (312) 558-5700
kanderson@winston.com

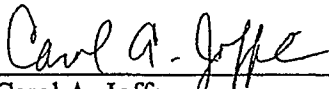


Timothy M. Broas (D.C. Bar No. 391145)
Carol A. Joffe (D.C. Bar No. 351528)
WINSTON & STRAWN LLP
1700 K Street, N.W.
Washington, D.C. 20006
Tel: (202) 282-5996
Fax: (202) 282-5100
tbroas@winston.com

*Attorneys for IPOC International Growth Fund
Limited*

JURY DEMAND

IPOC hereby demands a trial by jury on all issues so triable.



Carol A. Joffe

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/2006

[redacted]
for DILIGENCE, LLC, was telephonically interviewed. After being advised of the identity of the interviewing agent, and the nature of the interview, [redacted] provided the following information:

b6
b7C

[redacted] worked at DILIGENCE [redacted] He worked out of DILIGENCE's [redacted] office. [redacted] had an [redacted]

During his entire tenure at DILIGENCE, [redacted]

[redacted] He was brought in to [redacted]

[redacted] As part of his duties, [redacted]

[redacted] but was not involved in any [redacted]

accounting work.

b6
b7C

[redacted] has read the lawsuit brought by KPMG against DILIGENCE. [redacted]

b6
b7C

[redacted] The details of each project worked on at DILIGENCE were known only to the staff that was assigned to the project. Before providing additional information on this topic, [redacted] wished to contact his attorney. He stated that he would be willing to have a conference call with writer and his attorney in the future.

b6
b7C

[redacted] stated that he has not provided anything to KPMG, and that he has a non-disclosure agreement with DILIGENCE.

[redacted]

Investigation on 12/21/2006 at Alexandria, Virginia (telephonically)

File # 318E-WF-235018 - 9 Date dictated _____

by SA [redacted]

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/22/2007

 (protect identity), who is familiar with
interviewing agent, contacted writer and provided the following
information:

b6
b7C
b7D

[Redacted area]

Investigation on 01/12/2007 at Falls Church, Virginia (telephonically)

File # 318E-WF-235018 Date dictated _____

by SA

b6
b7C

318E-WF-235018

1

On 01/22/2007, [redacted] (protect identity)

b6
b7C
b7D

The documents were prepared by [redacted]

whose office is located at [redacted]

As

of 02/01/2007, none of the information contained herein had been verified by writer. SA [redacted] summarized information from the documents as follows:

b6
b7C
b7D

[Large redacted area]

b6
b7C
b7D

b6
b7C
b7E

[redacted] 12/1/07

(Indicate page, name of newspaper, city and state.) A3
Wall Street
Journal

(Mount Clipping in Space Below)

Date: 02/16/2007
Edition:

Title: How Two Scandals Might Overlap

Character:
or
Classification: 318E
Submitting Office: Washington Field

IPOC
OAO MegaFon
Alfa Group

b6
b7C

318E-WF-235018

02/24/02

b6
b7C

LEADING THE NEWS

How Two Scandals Might Overlap

German Investigators Look For Links Between Siemens, Russian Telecom Minister

By GLENN R. SIMPSON
And DAVID CRAWFORD

Two of Europe's highest-profile corruption scandals may be related: A German probe of alleged corruption involving Russia's telecommunications minister is overlapping with a separate German investigation of suspected bribery at Siemens AG.

Prosecutors in Munich are reviewing business transactions between Siemens and Russian telecom companies, particularly those allegedly affiliated with telecom minister Leonid Reiman, people familiar with the matter say. Siemens is embroiled in a broader cross-border corruption scandal related to allegations that the company for years paid bribes to win lucrative contracts. Meanwhile, a separate German criminal investigation is examining Mr. Reiman, a close friend and ally of Russian President Vladimir Putin, for suspected corruption.

Siemens, based in Munich, in December said it had uncovered about \$545 million in suspicious transactions stretching back seven years. That disclosure came after more than 200 German police raided offices and homes of Siemens employees in mid-November, arresting several people linked to the company's telecom-equipment business.

In a search warrant for Siemens management offices issued in October, German prosecutors said Siemens officials may have paid bribes to unnamed Russian bureaucrats in the telecom sector, which Mr. Reiman has regulated since 1999. The alleged payments could constitute possible large-scale corruption and tax evasion, according to the search warrant.

Two of Siemens's largest telecom customers in Russia are companies that Frankfurt prosecutors are examining in their fraud investigation. That probe, which began in 2004, focuses on whether officials at German bank Commerzbank AG helped Mr. Reiman disguise financial holdings in the Russian telecom industry.

To date, there have been no specific allegations of illicit payments made by Siemens to entities affiliated with Mr. Reiman or any other Russian firm. Frankfurt prosecutors haven't filed charges. Spokesmen for the Munich and Frankfurt prosecutors' offices declined to comment.

A Siemens spokesman said the company knows Mr. Reiman only in his role as Russia's telecom minister. The spokesman added that Siemens isn't aware of any probe in Russia into the company's business dealings. He reiterated that the company is cooperating fully with German prosecutors.

The German criminal investigations are both politically sensitive and potentially explosive. They come at a time of mounting tension between Russia and the West. Mr. Putin's critics have denounced his administration as riddled with corruption. But many governments are reluctant to confront Moscow owing to its control of vast energy resources and to the country's critical role in efforts to prevent the spread of nuclear weapons and to forge Middle East peace agreements.

The U.S. Federal Bureau of Investigation, responding to a recent request from prosecutors in Frankfurt, is examining records of several U.S. shell companies allegedly used by the IPOC group, a multibillion-dollar telecom empire allegedly controlled by Mr. Reiman. German prosecutors in Frankfurt made the request late

last year, say people familiar with the matter. The question of whether Mr. Reiman secretly controls IPOC—which owns Russian telecom assets valued at billions of dollars—has spawned a range of criminal investigations and court litigation. The allegations grow out of a bitter business dispute in Russia over one of IPOC's main assets, a stake in mobile-phone company OAO MegaFon that is also claimed by Russia's Alfa Group.

Much of Siemens's growth in Russia came from vendor financing and equipment sales to MegaFon, a privately owned company in which Mr. Reiman indirectly owns a major stake, according to witness statements in the Frankfurt probe.

MegaFon, Russia's third-largest mobile-phone company, was cobbled together by associates of Mr. Reiman in 2001 and awarded a coveted global sys-

tem for mobile communications, or GSM, license when he was telecom minister. A large stake in MegaFon eventually became the key asset in the IPOC group. MegaFon signed at least \$200 million of equipment-supply contracts with Siemens between 2002 and 2005, according to company financial statements and announcements.

Siemens Business in Russia

Some of the German conglomerate's dealings:

Client	Project
Kirishi	Modernizing power-distribution systems at refinery
Cargill	Automation and power equipment at food plant
Rosneft	Prirazlomnoje offshore platform
Gazprom	Supply gas-pumping units for compressor station
Svyazinvest	One million switch ports supplied by Siemens
Russian Railways	\$828 million order of eight high-speed Velaro RUS trains and service for 30 years

Source: Siemens

tem for mobile communications, or GSM, license when he was telecom minister. A large stake in MegaFon eventually became the key asset in the IPOC group. MegaFon signed at least \$200 million of equipment-supply contracts with Siemens between 2002 and 2005, according to company financial statements and announcements.

Mr. Reiman has vehemently denied ownership of IPOC. A company spokeswoman reiterated that position. His former lawyer and business partner, Danish national Jeffrey Galmond, has said he is the sole owner of the group, which origi-

Tangled Web

◆ **The Situation:** German prosecutors are pursuing separate corruption probes that may intersect at Russia's telecom ministry.

◆ **The Players:** Siemens AG, which is wrestling with allegations that it paid bribes to win contracts in locales around the world. Russian telecom minister Leonid Reiman.

◆ **What's Next:** Investigators are examining whether Siemens's extensive business in Russia is material to either investigation.

nally registered with Bermuda regulators in 2000 as a collection of mutual funds. A spokesman for IPOC didn't return calls seeking comment.

In May 2006, a Zurich civil-arbitration panel hearing the MegaFon dispute found that Mr. Reiman is "the sole beneficial owner" of the IPOC group and that his denials to the contrary "have no credibility." It said Mr. Reiman had engaged in corrupt and illegal acts during his government tenure in order to build and protect his secret telecom empire.

The tribunal also concluded that Mr. Galmond had provided "false testimony." IPOC has appealed that ruling.

Russian prosecutors have said they have found no evidence connecting Mr. Reiman to IPOC or any corrupt activity.

IPOC is under fresh legal pressure in Bermuda. Financial regulators last week asked the island's Supreme Court to liquidate the IPOC companies for unspecified regulatory infractions. Such a move could greatly hobble IPOC's efforts to defend itself and its shareholders in related criminal cases.

Police in Bermuda and the British Virgin Islands are also stepping up their inquiries of suspected money laundering by the IPOC group following recent moves to liquidate the company, people involved in those inquiries said.

Russia plays an important role in the unfolding Siemens scandal. At least three suspects have alleged in witness statements to prosecutors that bribes were paid by Siemens in Russia, according to a review of their statements. The three former high-level Siemens executives—including the German government's star witness, Michael Kutschenreuter—were involved in Russian telecom sales.

Siemens began dismantling its struggling telecom-equipment business—formerly its largest unit—in 2005. But Russia generated significant sales for Information & Communications Networks, a former unit that sold switching gear for traditional land-line phone systems and is now at the center of the corruption inquiry.

In May 2002, ICN secured a \$150 million contract from a Russian government-controlled phone company, Svyazinvest. By virtue of his being telecom minister, Mr. Reiman is chairman of that firm, which acts as a purchaser for much of Russia's fixed-line telecom equipment.

Today, Siemens is one of Russia's leading providers of fixed-line and mobile-phone gear. It also sells telecom equipment to a broad range of other companies.

Siemens's position owes much to a series of deals the company made with entities the Swiss panel concluded are controlled by Messrs. Reiman and Galmond. Thus far, no evidence has emerged to suggest these deals were corrupt.

Much of the Russian telephone industry's equipment acquisitions are overseen by Mr. Reiman's ministry, and most of Russia's fixed-line-telephone service providers are majority-owned by Svyazinvest. To centralize the purchase and financing of telecom equipment, Svyazinvest gave that business to a subsidiary called RTC Leasing. RTC was privatized in a complicated transaction that left a group of companies affiliated with IPOC as its majority owner in early 2002.

RTC nonetheless retained its role as a major intermediary for equipment leasing. Today, RTC's major stockholders include two offshore companies Mr. Galmond also claims to own. RTC also arranged telecom-equipment deals for MegaFon.

Thomas Ganswindt, who ran the Siemens telecom-gear unit at the time ICN won its \$150 million deal, said at a signing ceremony that the deal made Siemens "the leading supplier for switching systems in the Russian Federation."

Mr. Ganswindt, who left Siemens in September, was arrested by German police on suspicion of fraud in December. Mr. Ganswindt, who was later released, has denied any wrongdoing. He remains a suspect.

Both Mr. Kutschenreuter, who oversaw the finances of a Siemens division involved in Russian telecom sales, and another suspect who allegedly organized some illicit payments—Reinhard Siekaczek—have alleged in witness statements that Siemens's former top mobile-phone executive, Rudi Lamprecht, knew of an alleged system of slush funds and bribes, according to a review of their statements.

Mr. Lamprecht, now a member of Siemens's management board whose responsibilities include oversight of Russia, has denied any wrongdoing. Through a spokesman, he added he has no knowledge of any wrongdoing in Russia.

—Mike Esterl
contributed to this article.

ITICS & ECONOMICS

Raises More Questions

erman Henry Waxman (D., Calif.) is holding a series of hearings into issues in Iraq. Staffers confirmed man and other committee Democrats take a much wider look at defense after the Iraq hearings conclude. cited multiple problems with Pentagon practices. He attributed these to control by senior leaders, a shortage of oversight of contractor performance, unclear requirements for contractors, and "messy arrangements," he said. ssad, director of the Defense Procurement Policy Office, "GAO has a lot of recommendations to improve the way of Defense's management and operations." Mr. Shay said, "In general we agree with these recommendations, and we are continuing to work on improvements to address them." years increasing amounts of military have been let out to private contractors—percentage of no-bid contracts—with no competition—has risen. Congress hasn't focused in depth on the issue. While many members of Congress are criticized for awarding "earmarks" to defense contracts to particular families. and during the House panel hearing the Defense Department had disallowed more than 50% of the amounts his agency had

identified as improper or questionable. The defense audit agency has no power to order compliance with its audits, and the final decisions are made by the individual military services or other officials.

A report by the committee's staffers said the estimate of \$10 billion in possibly illegitimate contracting costs in Iraq likely is low. Mr. Reed confirmed that while his agency had audited \$57 billion in Iraq contracts, it doesn't know the total amount spent on contracts there. The staff report estimates at least \$75 billion spent on contracts in Iraq.

During the hearing, **Dyncorp International Inc.**, a large government contractor, was one of several firms singled out for criticism. An audit report last month by the Special Inspector General for Iraq, Stuart Bowen, raised questions about work Dyncorp did and was paid for that the government hadn't requested, particularly on a new police training camp in Baghdad.

During the hearing, members of the committee raised questions about a luxury swimming pool and hundreds of trailers that were built for the camp but ended up unused. Mr. Bowen told the committee he is launching an in-depth audit of Dyncorp's work in Iraq.

A Dyncorp spokesman said all of the work had been specifically authorized by U.S. officials of the Coalition Provisional Authority that ran Iraq until a new Iraqi government took over: "Everything that we've done, we did in good faith, and everything we've done was authorized by the U.S. government"

In Brief—

Russia Tells Exxon It Must Bid For New Sakhalin Territory

Russia told **Exxon Mobil Corp.** that it is ruling out any automatic enlargement of the oil company's Sakhalin-1 license territory, as the project off the island on Russia's Pacific coast has hit peak output and is seeking new reserves. Moscow said it would put the adjacent deposits into an auction, despite their discovery by Exxon. Exxon has been seeking to enlarge the license territory of Sakhalin-1 to sustain peak production, which otherwise will last only for a few years and then start to decline.

Gas Deal Aids Brazil-Bolivia Ties

Brazil will pay as much as 11% more for natural gas from Bolivia under a deal that could resolve a year of strife between the South American neighbors. Brazilian President Luiz Inácio Lula da Silva and Bolivian President Evo Morales, signing the deal, both declared the impasse over and said their nations' often-tense relations will improve. Bolivia will get about \$144 million more per year from Brazil for the gas, said Bolivia's hydrocarbons minister. Brazil paid Bolivia nearly \$1.3 billion for the fuel last year. Brazil's state-run oil firm **Petróleo Brasileiro SA**, or Petrobras, last year had a net profit of 25 billion reais (\$12 billion)—larger than Bolivia's gross domestic product of about \$9.3 billion in 2005.

Singapore to Cut Corporate Tax

Singapore announced a cut in its corporate tax rate and measures to help low-income workers, moving to tackle growing inequality while shoring up the city-state's attractiveness to foreign investors. Singapore will cut its corporate tax rate to 18% from 20% in April 2008 in an effort to compete with rival business center Hong Kong, where the tax rate is 17.5%. The country's new budget also includes a previously announced rise in the goods and services tax, to 7% from 5%, a measure that is expected to raise 1.5 billion Singapore dollars (US\$978 million) a year. The proceeds will help fund a social program under which the government tops up the salaries of low-paid workers.

MORE

THE ECONOMY:

Bush May Let Top-Tier Taxes Go Up.... **A1**
Fed Shifts Stance on Unemployment ... **A2**
Median Home Price Drops 2.7% **A2**

INTERNATIONAL:

When Corruption Trails Converge **A3**
Possible Putin Successor Is Promoted .. **A6**

CHINA:

Flight Delayed? Blame the Army **B6**
Surging Index Nears Milestone **C3**
He's Got a Trillion to Invest **C3**

China's Huge Rail Upgrade



A high-speed bullet train taking a test run out of the Shanghai South Railway Station last month

By 2020:

- Increase the national track network to 62,000 miles
- Increase dedicated high-speed passenger lines to 7,440 miles

carrying freight over long distance of railway capacity forces a shift to China's highways—where overpollute the air and damage road makes up almost half of all rail energy-hungry nation, leaving little room for containerized cargo and other bottlenecks along tracks from coal mines in northern China mean that mining factories in the South must consume shipments by barge. current five-year plan, Beijing targets 1.25 trillion yuan (\$161.1 billion) for rail equipment, and outlays of \$10 billion for locomotives and rolling stock. By 2010, the Ministry of Railways laid 17,000 more kilometers (10,600 miles) of track—half as much as the U.S.—to create a nationwide web of more than 90,000 kilometers. In many other countries, if I saw the Chinese are talking about, I'd say Oh my...they're being overambitious. Rayner of the ADB. But he adds that the Ministry of Railways has "very clear record of performing "effectively

Siemens booked an order for 60 bullet trains valued at €669 million (\$878.3 million) in Transport—a unit of **Alstom SA** and a consortium led by Japan's **Kawasaki Heavy Industries Ltd.** each won identifying 30 bullet trains while Bombardier

Electric locomotives to signaling technologies, and the Fairfield, Conn., company values the market in China at more than \$3 billion a year. GE is "well positioned to win" business with a line of fuel-efficient freight locomotives, says Patrick Jarvis, a spokesman for GE Infrastructure, the unit that makes railway equipment.

Alstom, which helped develop France's TGV high-speed trains, earlier clinched an order for 320 locomotives valued at €372 million. Alstom also has sold hundreds of train cars used in Shanghai's mass-transit system and recently won contracts to deliver signaling equipment to Beijing's subways in time for the 2008 Olympics there.

China's appetite for railway equipment is so keen that the government must divide orders among several companies to ensure that it gets all it needs on time. Yet diplomacy also plays a role in Beijing's choice of suppliers, just as it does with Chinese purchases of commercial aircraft. During a visit to Beijing in October by French President Jacques Chirac, for instance, Alstom signed a letter of intent to supply the Chinese with 500 freight locomotives.

—Sue Feng and Kersten Zhang in Beijing and Juying Qin in Hong Kong contributed to this article.

WASHINGTON WIRE | By John Harwood

A Weekly Report From The Wall Street Journal's Capital Bureau

House Republicans Opposed To Surge May Pressure Senate

DEMOCRATS AIM to jump-start Senate debate on Iraq with House GOP defections today.

"As the House vote goes up, the Senate vote goes up," says Democratic caucus chairman Emanuel; predictions range from 20 to 40. Senate leader Reid plans vote tomorrow seeking floor action on House resolution after next week's recess.

Democrats pressure vulnerable Republican Sen. Sununu as new poll shows Bush's job approval dropping to 31% in New Hamp-

spokesman for New Jersey Gov. Corzine insists, "We are staying out of this."

SMALL VICTORY? USAID's boast of minor monetary policy achievement underscores its difficulties in Iraq. "After 18 months of effort," the aid agency says, "advisers working with [Central Bank of Iraq] staff have finally won support from the Iraqi Ministry of Justice" for changes to "help maintain price stability."

DESPITE PUBLIC CLASHES, House Democrats and Bush administration still hope for labor-standards compromise in pending Peru, Panama and Colombia trade deals. Staff-level discussions could provide a way

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.) Business Week
online

Date: 02/26/2007
Edition:

Title: Spies, Lies, & KPMG

Character:
or

Classification: 318E

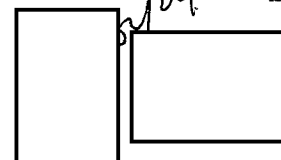
Submitting Office: Washington Field

Indexing:



Diligence Inc
IPOC
Alfa Group
MegaFon

b6
b7C



b6
b7C

318E-WF-235018



Close Window

FEBRUARY 26, 2007

INVESTIGATIONS

Spies, Lies & KPMG

An inside look at how the accounting giant was infiltrated by private intelligence firm Diligence

In the spring of 2005, Guy Enright, an accountant at KPMG Financial Advisory Services Ltd. in Bermuda, got a call from a man identifying himself in a crisp British accent as Nick Hamilton. Hamilton said he needed to see Enright about matters of utmost importance.

Over the course of two meetings, Hamilton led Enright to believe he was a British intelligence officer, according to a person familiar with the encounters. He told Enright he wanted information about a KPMG project that Hamilton said had national security implications for Britain. Soon, Enright, who was born in Britain, was depositing confidential audit documents in plastic containers at drop-off points designated by Hamilton.

But Nick Hamilton was not an agent of Her Majesty's secret service, and the documents never found their way to the British government.

Nick Hamilton was in fact Nick Day, now 38, a onetime British agent and co-founder of Diligence Inc., a Washington private intelligence firm that counts William Webster, former director of the CIA and FBI, among its advisory board members. Diligence's client was not Britain's Queen, but Barbour Griffith & Rogers, one of the most formidable lobbying firms in Washington. Barbour Griffith represented a Russian conglomerate whose archrival, IPOC International Growth Fund Ltd., was being audited by KPMG's Bermuda office.

A 2006 scandal involving Hewlett-Packard Co. (HPQ) put the issue of corporate espionage in the headlines. Diligence's methods, revealed in court documents and interviews by *BusinessWeek*, show how far some in the corporate investigation business will go.

"PLAUSIBLE DENIABILITY"

Without denying this account of events in Bermuda, Diligence's Day says: "We've always respected the laws of the jurisdictions in which we operate." He adds that corporate intelligence firms like his provide an invaluable service. "We essentially help businesses deal with the risks of operating in challenging markets," Day says. "It's a role which government agencies don't necessarily have the resources or understanding to be able to fulfill."

From the start, Diligence's goal was clear, if far from simple: Infiltrate KPMG to obtain advance information about the audit of IPOC, an investment fund based in Bermuda. Russian conglomerate Alfa Group Consortium hired Barbour Griffith & Rogers through a subsidiary, and the lobbying firm in turn hired Diligence. Alfa is dueling with IPOC for a large stake in the Russian telecom company MegaFon. "We have a good chance of success on this project," Day wrote in an internal Diligence memo, referring to the Bermuda espionage effort. The memo, which *BusinessWeek* reviewed, added: "We are doing it in a way which gives plausible deniability, and therefore virtually no chance of discovery." Similar Diligence operations, the memo noted, had been successful before.

Within Diligence the KPMG campaign was dubbed Project Yucca, and it unfolded in stages, according to people familiar with the operation and documents filed in a court proceeding involving IPOC and Alfa in the British Virgin Islands. First, two Diligence employees contacted KPMG's Bermuda offices pretending to be organizers of a legal conference on the island, according to a person familiar with the operation. The Diligence staff members called KPMG secretaries and asked about how the office worked. Soon, Diligence had the names of a handful of KPMG employees who might have access to the IPOC data. But Diligence wanted to narrow the list.

The intelligence firm was originally looking for people who fit one of two profiles for sources likely to leak the audit

information, according to a Project Yucca planning memo. One personality type was a "male in his mid-20s who is somewhat bored...has a propensity to party hard, needs cash, enjoys risk, likes sports, likes women, is disrespectful of his managers, fiddles his expenses, but is patriotic." The memo described the second personality type as "a young female who is insecure, overweight, bitchy, not honest. Someone who spends money on her looks, clothes, gadgets. Has no boyfriend, and only superficial friends. Has a strong relationship with her mother." Apparently, no one on Diligence's list quite fit either profile, but the firm settled on Enright, the British-born accountant.

Enright soon got a call from Diligence's Nick Day, posing as Nick Hamilton, according to a person familiar with the situation. The two agreed to meet for lunch near the KPMG offices in Hamilton, Bermuda. At lunch, Day, who is dark-haired and has a warm smile, said the assignment he had in mind for Enright was top secret and involved Britain's national security. Day kept the conversation vague, never mentioning IPOC or the audit, according to the person familiar with the situation. Day told the accountant he would have to undergo a British government background check to ensure that he was up to the task. Day produced an official-looking—but fake—questionnaire with a British government seal at the top and asked for information about Enright's parents, his professional background, any criminal history, and political activities, according to a copy of the questionnaire reviewed by *BusinessWeek*. Enright provided the information.

Several weeks later the two men met again, this time in a local bar, says the person familiar with the events. Day, still calling himself Nick Hamilton, told war stories from what he said were his days in the Royal Navy's Special Boat Service, Britain's equivalent of the U.S. Navy SEALs. He then steered the conversation toward his real interest: What did Enright know about the KPMG audit of IPOC?

Soon, Enright was handing over confidential audit documents, including transcripts of interviews KPMG had conducted in the IPOC investigation, according to court documents on file in the British Virgin Islands and the source familiar with the events. Day picked out a rock in a field along Enright's 20-minute daily commute from his home in Elbow Beach and placed a plastic container under the rock, creating what spies call a dead drop site. At appointed times, Enright slipped new material into the container, which Day later retrieved. On one occasion, Enright left documents in the storage compartment of his moped, which he parked at his home. Enright had told Diligence employees where he hid the keys to the moped. When Enright left for a trip, Day collected the papers, according to the person familiar with the situation.

Day and Diligence took elaborate precautions to make sure Enright wasn't himself a plant or a corporate spy, people familiar with the events say. Diligence employees followed Enright from his office to every meeting with Day. A Diligence employee was at each meeting spot before the men arrived to determine whether Enright was using associates for surveillance. Enright was followed to his destinations when meetings ended. When Day left the meetings with Enright, the source says, the Diligence executive followed a process spies call dry cleaning, which was designed to detect whether Day was being followed. He walked a prescribed route through several narrow "choke points" that made it possible for Diligence employees to identify anyone who might have been tailing him.

MYSTERY WHISTLEBLOWER

Diligence was paid handsomely for its work. An invoice produced in a federal court proceeding in Washington involving IPOC and Diligence shows that Barbour Griffith was billed by Diligence "For Bermuda report and Germany work—A Telecom." Diligence was paid \$25,000 a month, plus \$10,000 a month for expenses, according to documents reviewed by *BusinessWeek* and an interview with a person familiar with the matter. The company was also paid a \$60,000 bonus for acquiring the first draft of KPMG's audit of IPOC. Diligence's total take couldn't be determined.

The undercover Project Yucca ended after someone—it remains unclear who—dropped a bundle of papers at the Montvale (N.J.) office of KPMG on Oct. 18, 2005. The papers included Diligence business records and e-mails with details of Project Yucca.

On Nov. 10, 2005, KPMG Financial Advisory Services sued Diligence for fraud and unjust enrichment in U.S. District Court in Washington. On June 20, 2006, the case settled. Diligence paid KPMG \$1.7 million, according to a person familiar with the settlement.

On June 15, 2006, IPOC sued both Diligence and Barbour Griffith & Rogers in the same District Court, alleging civil

conspiracy, unjust enrichment, and other misdeeds. That case is pending. Gavin Houlgate, a spokesman for KPMG, declined comment, as did attorneys for KPMG at the New York law firm Hughes Hubbard & Reed. Kirill Babaev, a vice-president at Alfa's telecom arm in Moscow, said in a statement when asked about Alfa's involvement in the Diligence operation: "We are...not a party in any litigation with IPOC, and therefore cannot comment on any rumours or speculations in this regard."

Barbour Griffith & Rogers' most famous co-founder is Haley Barbour, who is now governor of Mississippi. Barbour left the lobbying firm in 2003, before the Diligence operation began. Another Barbour Griffith co-founder, Ed Rogers, was an early investor in Diligence. The lobbying firm rented space at its Pennsylvania Avenue offices to Diligence. Edward MacMahon, a lawyer for Barbour Griffith, says the firm has done nothing wrong and that no one affiliated with Barbour Griffith currently has an equity stake in Diligence. A person familiar with Diligence says the firm's shareholders are CEO Day, former U.S. Ambassador to Germany Richard Burt, Edward Mathias of Washington-based private equity firm Carlyle Group, and Buenos Aires private equity firm Exxel Group. Burt confirms he is Diligence's chairman but declines to discuss Project Yucca. Mathias confirms he is an investor in Diligence but says he is unaware of the Bermuda events. Exxel Group lists Diligence among its portfolio companies on its corporate Web site but did not respond to an e-mail seeking comment.

It's unclear whether Diligence broke any British or American laws. In an interview at his Washington office, Day says he and his firm always stay within the law but have learned much since 2005: "As an organization we've changed a lot as a result of everything we've been through in the last year." He says Diligence has "spent a lot of time training our staff as to what they can and cannot do."

In a statement to *BusinessWeek*, IPOC director Mads Braemer-Jensen said: "The fact that Alfa hired Barbour Griffith & Rogers and Diligence to use illegal and dishonest smear tactics against IPOC just shows that Alfa is trying to change the subject away from the fact that they stole from IPOC. We hope the U.S. and Bermuda law enforcement authorities will make note of this and take appropriate action against Alfa."

Guy Enright, who now works for Deloitte & Touche in London, declined repeated requests for comment on his relationship with Nick Day and his work on the IPOC audit. The terms of Enright's departure from KPMG couldn't be determined. But he apparently didn't come away empty-handed from his encounters with Nick Day.

As Project Yucca wound down in 2005, Day, still in the guise of Nick Hamilton, gave Enright a Rolex watch worth thousands of dollars, according to two people familiar with the present. Enright was led to believe it was a thank-you gift from the British government, but it, too, came from Diligence.

By Eamon Javers

Advertising | Special Sections |
MarketPlace | Knowledge Centers

Xerox Color. It makes business sense.

Terms of Use | Privacy Notice | Ethics Code | Contact Us

The McGraw-Hill Companies

Copyright 2000- 2007 by The McGraw-Hill Companies Inc.
All rights reserved.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/16/2007

[redacted] (protect identity), [redacted]
[redacted] was telephonically interviewed. [redacted]
who is familiar with interviewing agent, provided the following
information:

b6
b7C
b7DInvestigation on 03/15/2007 at Washington, DC (telephonically)File # 318E-WF-235018 - 14 Date dictated _____by SA [redacted]b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/19/2007

[redacted] date of birth [redacted] cell phone
number [redacted] was telephonically interviewed. After being
advised as to the identity of the interviewing agent and the
purpose of the interview, [redacted] provided the following
information:

b6
b7C
b7D

[Large redacted area]

Investigation on 03/16/2007 at Falls Church, Virginia (telephonically)File # 318E-WF-235018 -15 Date dictated _____by SA [redacted]b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/20/2007

[redacted] date of birth [redacted] was telephonically interviewed. Also present on the telephone call was counsel for [redacted] telephone number [redacted]. After being advised of the identity of the interviewing agent, and the nature of the interview, [redacted] provided the following information:

b6
b7C
b7DInvestigation on 03/19/2007 at Falls Church, Virginia (telephonically)File # 318E-WF-235018 - 16 Date dictated _____by SA [redacted]b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/27/2007

[redacted] date of birth [redacted] was telephonically interviewed. Also present on the telephone call was counsel for [redacted] telephone number [redacted]. This interview was a continuation of the interview which began the previous day. [redacted] provided the following information:

b6
b7C
b7D

Investigation on 03/20/2007 at Falls Church, Virginia (telephonically)

File # 318E-WF-235018 -17 Date dictated _____

by SA [redacted]

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/30/2007

[redacted] date of birth [redacted] social security
account number [redacted] was interviewed at the Washington Field
Office of the Federal Bureau of Investigation. [redacted] resides at
[redacted] cell phone number [redacted]
[redacted] for the
[redacted]
[redacted] office telephone number [redacted] After being
advised as to the identities of the interviewing agents and the
purpose of the interview, [redacted] provided the following
information:

b6
b7C
b7DInvestigation on 03/22/2007 at Washington, DCFile # 318E-WF-235018 -18

Date dictated _____

by SA [redacted]
SA [redacted]b6
b7C

On or about 04/23/2007, SA [redacted] telephonically contacted former DILLIGENCE employee [redacted] on his cell phone [redacted]. [redacted] advised that he was in Florida attending a conference where [redacted] was a speaker. [redacted] was speaking at the conference about Russian organized crime. [redacted] agreed to take detailed notes on [redacted] speech and provide those notes to writer. [redacted] agreed to be interviewed by investigating agent on 04/26/2007 at the Washington Field Office of the FBI. [redacted] advised that he would speak to his attorney prior to the interview.

b6
b7C

On 04/25/2007, [redacted] [redacted] telephonically contacted SA [redacted] and advised that they represent [redacted]. [redacted] inquired about the areas that writer planned to question [redacted]. At the conclusion of the conversation, [redacted] advised that the interview previously scheduled for 04/26/2007 would not occur. [redacted] further advised that he would consult with [redacted] and then call writer to determine when the interview could occur.

b6
b7C

On or about 05/08/2007, [redacted] telephonically contacted SA [redacted]. [redacted] advised that there was no reason as to why [redacted] should talk to the FBI. [redacted] further stated that the decision was based in part on concern regarding [redacted].

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/11/2007

[redacted] telephone number [redacted] was telephonically interviewed. After being advised as to the identity of the interviewing agent and the nature of the interview, [redacted] provided the following information:

b6
b7C

[redacted] is a [redacted] His current company, [redacted] does a lot of business with DILIGENCE. DILIGENCE is an international intelligence gathering company that has a lot of high powered clients. Judge WILLIAM WEBSTER sits on DILIGENCE's board.

b6
b7C

[redacted] for DILIGENCE and acts as a [redacted] [redacted] DILIGENCE has been very up front with [redacted] and has referred information to the FBI. [redacted] has taken DILIGENCE into the FBI approximately six times in the last year.

[redacted] who is [redacted] has spoken to [redacted] about the *Business Week* article on DILIGENCE. [redacted] told [redacted] that he went to Bermuda, told the KPMG employee that [redacted] got the report from KPMG, and exposed the "crooked deal." [redacted] provided a copy of the report obtained by [redacted] former [redacted]

b6
b7C

[redacted] is unsure as to the tactics used by [redacted] in Bermuda. DILIGENCE has used pre-texting to obtain records. [redacted] has a lot of contact with [redacted] and offered to set up a meeting between writer and [redacted] [redacted] stated that [redacted] would answer any questions asked by writer.

b6
b7C

Investigation on 06/11/2007 at Falls Church, Virginia (telephonically)

File # 318E-WF-235018 -20 Date dictated _____

by SA [redacted]

b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/15/2007

[redacted] also known as [redacted] date
of birth [redacted] was interviewed at her residence, located at
[redacted] After being advised as to
the identities of the interviewing agents and the purpose of the
interview, [redacted] provided the following information:

b6
b7C
b7DInvestigation on 06/13/2007 at [redacted]File # 318E-WF-235018 - 21

Date dictated _____

by SA [redacted]
SA [redacted]b6
b7C
b7D

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/06/2007

[redacted] cell phone number [redacted] was telephonically interviewed. After being advised of the identity of the interviewing agent, and the nature of the interview, [redacted] provided the following information:

b6
b7C

[redacted] no longer lives in Washington DC. [redacted] DILIGENCE wanted to open an office on the west coast [redacted]

b6
b7C

The actions by DILIGENCE regarding the KPMG case occurred before [redacted] As part of DILIGENCE's settlement with KPMG, DILIGENCE employees cannot talk about the case.

b6
b7C

The lawsuit brought against DILIGENCE by IPOC in New York was recently dropped.

[redacted] would not be interviewed without first speaking to [redacted] counsel for DILIGENCE. [redacted] stated that he would contact [redacted] who would contact writer.

b6
b7C

Investigation on 08/06/2007 at Falls Church, Virginia (telephonically)

File # 318E-WF-235018 - 22

Date dictated _____

by SA [redacted]

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 08/17/2007

To: Washington Field

Attn: Squad FIG-3

From: Washington Field

CR-13/NVRA

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 318E-WF-235018 (Pending)

Title: LEONID ROZHETSKIN, et al.

Synopsis: To share documents that may contain intelligence value.

Enclosure(s): Documents provided by Source.

Details: Source, who has provided reliable information to the FBI in the past, provided the attached documents to writer. The documents, however, were not germane to captioned case. Because the documents pertain to [REDACTED] writer is passing the documents to [REDACTED] is requested to review the enclosed documents and determine if additional investigation is required. If necessary, Source is available to be re-contacted.

b6
b7C
b7E

b6
b7C

b7E

b6
b7C
b7E

To: Washington Field From: Washington Field
Re: 318E-WF-235018, 08/17/2007

LEAD(s) :

Set Lead 1: (Info)

WASHINGTON FIELD

AT WASHINGTON, DC

Read and clear.

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/08/2007

To: Washington Field

From: Washington Field

CR-13 / NVRA

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 318E-WF-235018 - 27

Title: LEONID ROZHETSKIN, et al.

Synopsis: To provide case update.

Details: On or around 08/21/2007, writer received a voice mail from Nassau Bahamas ALAT [REDACTED] ALAT [REDACTED] advised that he had received permission from Bermudian authorities for the FBI to telephonically interview [REDACTED]

b6
b7C
b7E

b6
b7C

[REDACTED] in Bermuda.

On or around 10/25/2007, writer telephonically contacted [REDACTED] telephone number [REDACTED] who advised that he has no first-hand knowledge of the activities of DILIGENCE in Bermuda. [REDACTED] stated that the person to talk to would be [REDACTED]

b6
b7C

[REDACTED] then stated that he needed to verify writer's identity and contact corporate counsel before discussing the matter further.

On 11/06/2007, writer spoke with attorney [REDACTED]

[REDACTED] telephone number [REDACTED]

[REDACTED] email [REDACTED]

[REDACTED] provided the following information:

b6
b7C

KPMG was appointed by the Minister of Finance in Bermuda to do an inspection of IPOC. DILIGENCE was retained by ALFA to get IPOC's information from KPMG.

DILIGENCE employees originally posed as organizers of an international conference. They spoke to several KPMG employees to get information about KPMG employees. [REDACTED] believes that most of the information about KPMG employees came from a KPMG administrative assistant. DILIGENCE sent emails to the KPMG administrative assistant. [REDACTED] is unsure whether the

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 02/28/2008

To: Washington Field

From: Washington Field

CR-13 / NVRA

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

b6
b7C
b7E

Case ID #: 318E-WF-235018 (Closed)
66F-WF-A231068 Sub J (Pending)
321A-WF-A226437-G-1 (Pending)

Title: LEONID ROZHETSKIN, et al.

Synopsis: To close captioned case.

Details: On 02/19/2008, writer spoke with SA [REDACTED] [REDACTED] FBI-NY regarding captioned case. SA [REDACTED] informed writer that based on source reporting, the civil dispute that initiated captioned case has been resolved. The relevant information from the FD-1023 is as follows: [REDACTED] at the request of [REDACTED]

b6
b7C
b7D

[REDACTED] resolved a dispute between [REDACTED] and [REDACTED] and ALFA GROUP were in dispute over a large number of shares of the Russian Telecommunications company MEGAFON. The meetings took place in the offices of [REDACTED] and the principals of ALFA GROUP are now friendly."

On 02/25/2008, writer spoke with [REDACTED] an attorney at [REDACTED] who represents [REDACTED] Writer requested an interview of [REDACTED] agreed to allow [REDACTED] interviewed [REDACTED] further advised that [REDACTED]

b6
b7C
b7D

On 02/27/2008, writer spoke with AUSA [REDACTED] District of Columbia, and requested [REDACTED] for [REDACTED]

b5
b6
b7C
b7D

On or about 03/05/2008, SA [REDACTED] WFO squad CI-11, contacted writer about [REDACTED] and the status of captioned investigation.

b6
b7C
b7E

Page 87 ~ Duplicate;
Page 88 ~ Duplicate;
Page 89 ~ Duplicate;
Page 98 ~ b6; b7C; b7D;
Page 99 ~ Duplicate;
Page 100 ~ Duplicate;
Page 102 ~ b6; b7C; b7D;
Page 103 ~ Duplicate;
Page 104 ~ Duplicate;
Page 106 ~ b6; b7C; b7D;
Page 107 ~ b6; b7C; b7D;
Page 108 ~ Duplicate;
Page 109 ~ Duplicate;
Page 110 ~ Duplicate;
Page 112 ~ b6; b7C; b7D;
Page 113 ~ Duplicate;
Page 114 ~ Duplicate;
Page 116 ~ b6; b7C; b7D;
Page 117 ~ b6; b7C; b7D;
Page 118 ~ Duplicate;
Page 119 ~ Duplicate;
Page 120 ~ Duplicate;
Page 122 ~ Duplicate;
Page 124 ~ Duplicate;
Page 126 ~ b6; b7C; b7D;
Page 127 ~ b6; b7C; b7D;
Page 128 ~ Duplicate;
Page 129 ~ Duplicate;
Page 130 ~ Duplicate;
Page 132 ~ Duplicate;
Page 136 ~ b6; b7C;
Page 137 ~ Duplicate;
Page 138 ~ Duplicate;
Page 141 ~ Duplicate;
Page 142 ~ Duplicate;

XXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXX